Scott. II-37.—40,000—28-12-28.

Des^{t} (1939) Department.

Ms SERIES.

G.O. No. 2981

Dated 9-12-39

[Despatch Abstract.]

Agriculture — Sugarcane IInd, 1934

Controlled area — Hospet revenue taluk

Minimum price — Notification — Published

A. Ranganatham, B.A.,B.L.

9.Armenian Street,
G.T. Madras,12-7-1939.

To
The Hon. Mr. V.V. Giri,
Minister for Labour & Industry,
Fort St. George,
Madras.

ASSISTANT SECRETARY TO GOVERNMENT
19 JUL 1939
DEVELOPMENT DEPARTMENT

20088
/V!

Dear Mr. Giri,

I am enclosing a copy or rather an extract of my letter to Sri. Rama Reddy Garu, Director of Agriculture. Kindly pardon me if I have been very frank in the expression of my views.

My humble submission is that it is very necessary that you should do your utmost to enable the factories to get raw materials cheap in view of the abolition of the protection duties, bound to take place sooner or later. Any factory worth its name will think twice before it treats badly its suppliers.

The Director of Agriculture thinks, that no matter whether the ryot spends much or little in growing his cane, he must share the profits of the company due to any high prices of sugar. So if the cost of cultivation of cane in certain parts is less than that in Hospet Area by Rs.4 or 5, the factory in those other parts ~~shall~~ should pay Rs.4 or 5 per ton more than the Hospet Factory! So far as I am concerned it has been my endeavour to treat the shareholders & the growers as partners in the concern, to share alike in the fortunes good or bad of the factory, and I am sure that in any arrangement that migh be made, the suppliers who exercise reasonable care in the cultivation of ~~the~~ cane, can be secured against any loss, ~~but on the other hand~~ and, further ~~will~~ (on the whole) gain considerably by ~~his~~ their dealings with the factory. But it looks as if my influence for good is going to be undermined considerably. I shall not go into the question--by whom or how. I have never sat tightly on any office till now and the Directorship in the India Sugars, Hospet, is no exception to the rule. I do not know who will take my place as a Director if I am turned out or myself clear out of it. But I may be pardoned and not considered egotistic if I have my fears that the Board of Directors will probably have one of ~~th~~

a ryots' friend less in it, ~~m~~ by my absence. I cannot help it, if it is to happen.

If the Director thinks that the supplier should have his minimum price fixed so that he may be assured of a profit of about Rs.30/- per acre eventhough the factory works at a loss for reasons beyond its control and should also be entitled to a share in the excess profits of the company after paying the shareholders dividend only at Government's rates on their securities, and that no ~~permission~~ provision is necessar for reserve fund, bad debts, etc., he may as well submit proposals to the Government to take over the Hospet Factory and work it as a model according to his ideas for others to copy ~~him~~ his example if they will or part with their respective concerns to others who will or to the Government in the last ~~resort.~~ resort.

I shall be calling on you very soon and explain myself further and in detail. You may judge for yourself whether I am ~~pessimistic in my views.~~ or maddenly anti Lavoy misapprehensions about any body.

With kind regards,

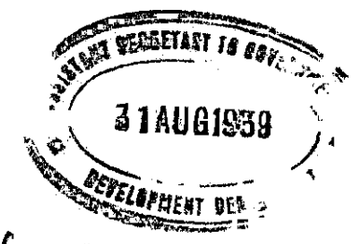
Yours sincerely,

Manganatham

2139

K. Ranganatham, B.A., B.L. 9.Armenian St., Madras,

20th. Aug. 1939.



Hon.Sri. V.V. Giri Garu,
Minister for Industries & Labour,
Fort St. George,
Madras.

Dear Mr.Giri Garu,

I beg to send for favour of your perusal copies of (1) my letter D/ 9 July 1939 to Sri.P.H. Rama Reddy, Director of Agriculture. (2) Mr. Rama Reddy's reply to my letter - D/25-8-39. (3) My letter to Sri. Rama Reddy D/ 25-8-1939.

I have not been keeping good health ever since I finished my tour in Vizag, East Godavari Districts and returned from Hospet where I had gone to represent when the Director of Agriculture and ~~Registrar-of-Co-operative-Societies~~ were there. Will it be convenient to you please, to give me an interview any day in the course of a week from now. If so, kindly let me know the hour and place.

With kind regards,

Yours sincerely,

K Ranganatham

A. Ranganatham. (PERSONAL) July 39

Note: When I began to reply, I did not know that I would make it so long - no harm - I thought it as well that you should know your letters make me feel and consider whether there is no way at all for joint work: if as we say, we have the same object at heart.

Dear Sri Rami Reddy,

Your letter of 1st instant.

If the agricultural department is equally interested in the factory and the cultivators and will never be a party to any arrangement which would put either at a disadvantage, I must say, with all respect, that much more should be done by the Government or departments concerned than is being done at present.

I am afraid that an exaggrated view is taken of the protective duties and that the possibility and probability of a fall in sugar prices are not properly appreciated. Even as it is, you will have seen in papers how there has recently been a drop of 40 to 60 rupees per ton in the price of sugar.

The protection duty is a temporary one and its removal will necessarily result in a fall in the price of sugar, which in turn will mean a reduction in the price of cane. One has to avert the consecuences of such a contingency. How cultivation of cane and increase the yield pur acre? Transport conditions are anything but satisfactory and if they are improved, cannot the growers transport more cane per bandy for the same cost and so save something? Irrigation facilities have much to be desired. In last May or so, the poor ryots of Hospet had no water given to them for a very long period at a stretch. Petitions were sent and officers interviewed But all in vain for a long time; crops suffered in the meanwhile. I was told that the office concerned was rough-

handled by the ryots. when they came to know in the end that water which they could have had had been mischievously diverted at the source for a reason that would not bear examination--

At present, all the sowing of cane is done within a comparatively short period and all harvesting also naturally, has to be attended to all about the same time. This is a disadvantage to the ryots as well as to the factory. To the ryots, because the labour is scarce and costs more--both at the time of sowing and of harvest, because of the concentrated demand; and to the factory, because it is impossible for it. to crush more than a limited quantity of cane because of its nonavailability in the earlier stages and its deterioration in the later stages. Perhaps, it is also a disadvantage to the cooly population who would like to have a steady demand for their labour, all through the year, instead of by fits and starts during particular periods.

Mandya factory is flourishing because of their long crushing season. Cane is available for more than 9 months in the year. Can that be said of the Hosp t area? What is it that the Department has done to enable the ryots to spread their sowings so that there may be cane available for months in a year? Has anything been done so to regulate the distribution of water that the ryots may safely count on water being available to them, as needed, even if they alter their months of sowing?

do not know if you read a recent article in one of the local dailies. The factory should be helped to earn so that it may find employment for a larger number of people and pay them adequate wages and give a better price for raw material Otherwise it will be like killing the goose which lays the golden egg.

It is obviously difficult for you to credit another with

the same good motives as you claim for yourself. Do you coolly charge me with following "the one sided policy of sacrificing the interests of the cultivators for the benefit of the factory." Where is the benefit derived by the factory, when the shareholders have had no dividends during all these years. You may not agree with what one says or does, but you need not doubt his bonafides; If the factory had been let alone last year, you would have known whether the ryots would have shared in the benefits of the factory or not. (But what is the good of saying all this? You are not prepared to believe it). The factory would have done much better but for the last minute interference of the Government which brought about the closure of the factory for some time, dislocated all the arrangements that had been made by the factory [illegible] back to the earlier arrangements made for cutting etc.

You tried last time, if an assured supply of cane could be secured for the factory. But the other side reported it could not "under the conditions". Will you tell me what the conditions were that it was required to submit to & found them difficult of compliance? I shall see if they could be modified.

Please do not think, that the ryots do not know what is good for them. If help is wanted, there is "enough" outside help" without the department taking sides or appearing to take sides. You have probably no idea of the damage done in the factory by giving cause for such an impression. Hospet is not the only area where where sugar cane is grown or a factory is worked. Are conditions ideal in all the other places and is there no work for the department, to improve the conditions there? Are you satisfied that the cultivators in all these other places are

accruing from high sugar prices, ~~to~~ 6 per cent of sugar cane cultivation ? Should ~~it~~ be reserved ~~to~~ only for ~~Nagpal~~ ?

Let us not harp on what is past and ~~done~~. I shall assume that you acted for the best. Otherwise, you ~~better~~ kindly do, if you can and will. Let us honestly try if we cannot do better for for the future. What shall we do to be sure of at least 60000 tons of cane, during the coming season? How are we to arrange to get the daily supplies regularly, to the tune of 500 to 600 tons or ~~so~~? How shall we relate the price of cane to sugar? What provision shall we make for the necessary amenities to the workmen and the staff, by way of better pay and wages, provident fund, social amenities and so on? How much shall we set apart for reserve fund? (At one time you doubted the need for it. I have since examined the balance sheets of very many factories. They all make a provision for reserve fund. Some make in addition a provision for bad debts, and one or two other matters) Shall we take the rate assured by the tariff board as a reasonable return for the shareholders? If there is an excess left after paying for cane at a certain prilimenary rate and distribution of dividends at the tariff board rates, what (the excess) shall be apportioned among the suppliers of cane, the shareholders and the factory for contingencies like expansion and so on? What proportions shall be adopted? You will be doing a real service, by constructive suggestions on lines like the above.

I understand you saw Mr. Venugopaul Chettiar recently, and did not speak of me in complimentary terms. True, he said you were quite mistaken. If the information is correct, why did you try to decry to him? Never mind, if it hurts me. But I feel sorry for you because it cannot do any good to you.

Let me end by assuring you that I am also, for the prosperity of the ryot, the factory and its employees and that I shall really welcome any help from you towards that end. If, we can agree on any methods, I shall spare no pains to bring them into effect. Do not say that though I mean well, I yield to pressure from Jaccuboy or other. in saying so, you are paying no compliment to me. I am not a child to be influenced anyway another likes.

yours sincerely

9

Madras,
11th July 1939.

Dear Sri Ranganatha Mudaliar,

I received yesterday a long letter from you undated.

Do you really think that any useful purpose will be served by the sort of correspondance we have been carrying on? It is waste of time for you and for me as it is very unlikely that we shall come to any common understanding by this correspondance. My one and only point is that the cultivators should not be deprived of their share of profits from sugar production. I am in entire agreement with you that the cultivators should bring down the cost of sugarcane cultivation by every possible means in the same way as the factory should bring down its cost of production. You want that any profits left over after paying the dividends at certain rates should be distributed between the factory and the cultivators at some agreed proportions. That means to say that you want to look to the cultivators after the interests of the shareholders are served. My point, on the other hand, is any profits left after deducting the cost of cultivation and the cost of sugar production should be equally shared by the factory and the cultivators. The cultivators are not concerned with the risks you are taking by stocking sugar instead of selling it immediately after its production. It is enough if the cultivators are paid their share of profits on the market rates of sugar on the days on which their cane is crushed. I think it should be possible to come to some reasonable understanding on these lines.

I have no control over the distribution of water from Hospet channels and I think it is better that you should address the P.W.D. on that question.

The supply of cane depends upon the rate at which you are prepared to pay. If you were not able to crush more cane during the last season, no one is responsible for it but your factory. It would not pay more than Rs.10/- per ton to Hospet people while it had no objection to purchase same kind of cane from out side at Rs.12/- per ton. I am afraid I cannot give any guarantee whatever with regard to the supply of cane. It is for the factory and the cultivators. The Agricultural Department will, however, be prepared to assist you in this respect if you can come to an agreement with the cultivators as regards price for their cane.

I did meet Mr.Venugopala Mudaliar and I do not think I have spoken to him anything about you which I am afraid to speak in your presence. I do not know what he had told you but I wonder if he has not put in his own interpretations on what I said.

You ask me in a post script whether cultivators in other places (provinces?) share the profits as mentioned in my last letter. My reply is that this is the underlying principle of fixing of sugarcane in the United Provinces and Bihar. The factories in these two provinces were, I suppose you know, forced to pay last year up to and even above Rs.14/- per ton of cane, inferior to what you get at Hospet. If prices were not fixed at other factories in our presidency, it is because they were prepared to pay better prices than you were willing to offer. The lowest prices offered during the last crushing season was at Hospet and the reason for Govt. intereferance at Hospet is obvious. All this you know very well and certainly you do not require any explanation from others on this subject.

I do not think that I have ever complained that you are influenced by any body though I might have said that some of the irregularities complained of in the past might not have come to your notice

In any case I do not remember if I have ever complained of in the manner you have mentioned.

Yours sincerely,

(Sd). P. B. Rama Reddy.

(True Copy).

Raganatham, B.A.,B.L.

9.Armenian St.,Madras,

25th.Aug.1939.

Sri.P.H. Rama Reddy Garu,
Director of Agriculture,
C H E P A U K.

Dear Sri Rama Reddy,

Your letter dated 11-7-1939 in which state that the lowest price offered during the last crushing season was at Hospet. I am afraid that have you not been correctly informed as regards this matter.

My enquiries go to show that as a rule in other places the ratoon variety was paid for at Re.1/- per ton less than the planted variety. In one place the foreign variety was purchased at Rs.9/- per ton. In another place at Rs.8/-per ton for some time and Rs.9/-per ton later on. One variety was purchased at Rs.9/8/- per ton. It appears to me that the price of cane did not depend anywhere on its cost of cultivation but on chances of securing a better price for it in view of the prevailing high rates for jaggery.

According to the information ~~he~~ you furnished last year, Rs.8/10 per ton is not, if I remember rightly, the lowest cost of cultivation of cane in the Hospet area. It represented the average arrived at, after taking into account the varying costs of cultivation in that area, as reported to you.

At the last Directors' meeting the Board appointed 3 people to wait in deputation on the Government and their Officers with regard to fixation of the prices. To enable the deputation to collect relavant information and represent their case properly, may I request you to let me know (i) whether a minimum price will be fixed for the whole province; (ii) whether the price will vary from factory to factory; (iii) whether the prices will be fixed for the season and, if it is not so, the principles on which the price is going to be fixed from time to time.

Lastly, when I suggested distribution of extra profits among the ryots, shareholders and factory, it was not my idea to restrict the first payment to the ryots to cover the bare cost of cultivation of cane but to ~~xxxxxxx~~ include in it a reasonable profit also.

Will you kindly let me have for reference and return the report of the Government of India's publication regarding cost of cane cultiva

tion. I tried to secure a copy from Higginbothams and the Government Book Depot. But they had no copies with them.

A last request. Please let me know xxxxxxxxxxxxxxxx, the respective sums you provided in the last year's minimum price for (1) cutting and harvest charges; (2) transport charges; (3) freight per ton; respectively.

Yours sincerely,

B.

13/

Desk Depts

Letter No. 20088 III 39-3 d. 6/9/39

To

Shri A. Ramanathan Pillai, B.A., B.L.
9, Armenian St., Madras

Sir,

Referring to your letter dated 25-8-39, addressed to the Hon'ble the Minister for P.W., I am directed to ~~inform you that~~ request you to meet the Hon'ble Minister on the 15th Sept. 39 instead of on the 12th, ~~as already intimated.~~ (as intimated before)

Secretary

Dy. Secy. for Desk Duty

6-3 CF

Despd. 7/9/39

RS
19.9 CWO 2/9/39.

7.9.39 7.9.39

14

C.F. 30.

AGRICULTURAL **DEPARTMENT.**

Received ..... 19 *Registered* 24775 19

Subject.

SUGARCANE ACT - ENFORCEMENT - HOSPET - MINIMUM PRICES. - MODIFICATION - PROPOSALS.

ENCLOSURES.
No.
Spare copies

C. No. 588/39.

Station Madras, *Dated the* 15th September 1939.

From (Name) P.H. Rama Reddi, Esq., I.A.S.,

(Designation) Director of Agriculture,

To The Secretary to the Government of Madras,

Development Department.

Sir,

Ref: Development Department's No.20088-III/39-1, dated the 25th July 1939.

With reference to the discussion I had with the Hon'ble the Minister for Industries & Labour on the 11th August 1939, I have the honour to enclose alternative draft notifications for revising the ting notification fixing minimum prices at Hospet, for the consideration of Government.

2. One draft is similar to the draft notification

recently issued for the Bobbili area of the Vizagapatam district, based on the price of sugar being Rs.280/- per ton -- vide Government Memorandum No.11294-III/39-3, dated the 7th August 1939. The minimum prices for sugarcane in this draft are Rs.11-8-0 for plant cane of any Coimbatore variety and Rs.11/- for local cane and for ratoons of any Coimbatore variety.

Mr 10-11 c.f. L.F.

K

Mr 18-19 infra

3. The other draft takes into consideration the fluctuations of sugar prices and offers to the cultivator the benefit of rise in sugar prices. In this case, the initial minimum prices of cane ~~is~~ are fixed as shown below, on the assumption that the price of sugar inclusive of Excise duty will not go below Rs.240/- per ton:--

Rate of ... in ...

Plant cane of any Coimbatore variety	Rs.10/- per ton.	9-8-0
Ratoon cane of any Coimbatore variety	Rs.9-8-0 " "	8-8-0
Local sugarcane (Pundia)	Rs.9-0-0 " "	9-0-0

Provision is also made in the draft to pay the cultivator an extra amount for every ton of cane according to the variety, equivalent to half the rise in the price of sugar over Rs.240/- per ton, based on the formula that half the price of sugar represents the cost of sugarcane out of which the sugar is produced.

4. The extra rate mentioned in the preceding paragraph is arrived at as follows:--

Variety of cane	Percentage of recovery. (sugar)	Extra rate per ton of cane, (calculated at 8 annas for the cultivator and 8 annas for the sugar factory for every rupee rise in the price of sugar over Rs.240/- per ton.
Plant cane of any Coimbatore variety.	10	9.6 pies
Ratoon cane of any Coimbatore variety.	9.3	9 pies
Local sugarcane	9	8.6 pies

A 19 mjpa

A table is attached to the draft notification showing how the prices for cane shall be regulated depending on the price of sugar every week.

5. In regard to the prices of sugar, the Director of Industries and Commerce, Madras, will telegraph to Hospet and publish every Monday morning during the crushing season, the wholesale price of sugar in the Madras market based on his own enquiries and on the reports furnished to him usually by Messrs.Parry & Co., Ltd., Madras. That rate will prevail during that week till altered on the succeeding Monday. Should there be no change, it may be so published. I do not anticipate violent fluctuations inside of a week.

(S) 6. The attention of Government is invited to the notice issued on the 8th instant by the Secretary of the Indian Southern Provinces Sugar Marketing Board, Madras, and published in the Indian Express of the 9th. The present price level of sugar will tend to fall, as anticipated in the notice, soon after the crushing season begins in November but not below the level of Rs.240/- per ton.

A 18 mjpa

7. I am therefore in favour of the sliding scale proposed in the alternative draft and recommend accordingly. I request that necessary instructions be also issued to the Director of Industries and Commerce, regarding publication of sugar prices.

I have the honour to be,

Sir,

Your most obedient servant,

for DIRECTOR OF AGRICULTURE.

16/9/39

KVA.15/9.

15.9.39.

17

Draft Notification.

In exercise of the po..ers conferred by sub-section (2) of Section 3 of the Sugarcane Act (XV of 1934) and in supersession of the notification No.1005 dated 5-12-38 published in the Fort St. George Gazette dated the 6th December 1938 (at page 1714 of Part I), the Government of Madras are hereby pleased to fix with effect from the 1st November 1939 the minimum prices specified in column (3) of the schedule below for the purchase in the controlled area specified in column (1) thereof, of the varieties of sugarcane mentioned in column (2) of the said schedule, such sugarcane being intended for use in a factory as defined in the said Act.

Explanation. (1) The prices specified in column (3) of the schedule are for delivery of sugarcane at the sugar factory.

Schedule.

(1) Controlled area.	(2) Variety of cane.	(3) Minimum price per ton.
Hospet Taluk of the Bellary District.	Plant sugarcane of CO.290 and other Coimbatore Varieties.	Rs. 11 8 0
	Local sugarcane and Ratoon cane of any Variety	Rs. 11 0 0

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DRAFT NOTIFICATION

In exercise of the powers conferred by sub section (2) of section 3 of the Sugarcane Act (XV of 1934) and in supersession of the Notification No.1005 dated 5th December 1938 published at page 1714 of Part I of the Fort St. George Gazette dated 6th December 1938, the Government of Madras are hereby pleased to fix with effect from the ~~1st~~ November 1939 the minimum prices specified in column (3) of the schedule below for the purchase in the controlled area of the Hospet Taluk in the Bellary district, of the varieties of sugarcane mentioned in column (2) of the said schedule, such sugarcane being intended for use in a factory as defined in the said Act.

Explanation: (1) The prices specified below are for delivery of sugarcane at the sugar factory.

(2) The price of sugar shall be for white sugar (otherwise known as Aska Sugar) as determined and published by the Director of Industries & Commerce, Madras every Monday and such price being current from Monday to Sunday inclusive.

Schedule.

Varieties of sugarcane.	Minimum price per ton of 2,240 lb.
(i) Plant sugarcane of any Coimbatore Variety.	Rs.10/- if the price of sugar is Rs.240 or less per ton; if the price of sugar exceeds this rate, a sum of Rs.0-0-9.6 for every ton of sugarcane shall be paid in addition to the Rs.10, for every rupee rise in the price of white sugar above Rs.240 per ton.
(ii) Ratoon sugarcane of any Coimbatore Variety.	Rs.9-8-0 if the price of sugar is Rs.240 or less per ton. plus nine pies for every ton of sugarcane on the condition mentioned for (i) above.
(iii) Local sugarcane (Pundia).	Rs.9-0-0 if the price of sugar is Rs.240 or less per ton plus 8.6 pies for every ton of sugarcane on the condition mentioned for (i) above.

Note. The attached table showing how the price of sugarcane of each variety specified above shall be regulated depending on the price of sugar shall be followed.

TABLE SHOWING HOW THE PRICE OF SUGARCANE SHALL BE REGULATED, with reference to DEPENDING ON THE PRICE OF WHITE SUGAR.

Price per ton of White Sugar- current from every Monday.	PRICE OF SUGARCANE PER TON OF 2,240 LB.		
	Plant sugarcane of any Coimbatore variety.	Ratoon sugarcane of any Coimbatore variety.	Local Sugarcane. (Pundia).
240.	10 0 0	9 8 0	9 0 0
241	10 0 9.6	9 8 9	9 0 8.6
242	10 1 7.2	9 9 6	9 1 5.2
243	10 2 4.8	9 10 3	9 2 1.8
244	10 3 2.4	9 11 0	9 2 10.4
245	10 4 0	9 11 9	9 3 7.0
246	10 4 9.6	9 12 6	9 4 3.6
247	10 5 7.2	9 13 3	9 5 0.2
248	10 6 4.8	9 14 0	9 5 8.8
249	10 7 2.4	9 14 9	9 6 5.4
250	10 8 0	9 15 6	9 7 2.0
255	10 12 0	10 3 3	9 10 9
260	11 0 0	10 7 0	9 14 4
265	11 4 0	10 10 9	10 1 11
270	11 8 0	10 14 6	10 5 6
275	11 12 0	11 2 3	10 9 1
280	12 0 0	11 6 0	10 12 8
285	12 4 0	11 9 9	11 0 3
290	12 8 0	11 13 6	11 3 10
295	12 12 0	12 1 3	11 7 5
300	13 0 0	12 5 0	11 11 0
305	13 4 0	12 8 9	11 14 7
310	13 8 0	12 12 6	12 2 2
315	13 12 0	13 0 3	12 5 9
320	14 0 0	13 4 0	12 9 4
325	14 4 0	13 7 9	12 12 11
330	14 8 0	13 11 6	12 0 6
335	14 12 0	13 15 3	12 4 1
340	15 0 0	14 3 0	12 7 8
345	15 4 0	14 6 9	12 11 3
350	15 8 0	14 10 6	12 14 10

and so on.

N.B./15-9.

20

Work Deptt

To

The D.A.

Sugarcane Act - Enforcement in Koppal -

Your letter No. C. 5488 - of dated 15-9-

In paragraph 5 of your letter quoted above, you have ~~stated~~ suggested that the D.D.S.C. should telegraph to Koppal & publish every Monday morning during the crushing season the wholesale price of sugar in the Madras market. ~~to~~ The ~~draft~~ preliminary notice to be issued should ~~decide~~ the mode of publication. Please state atonce how the figures are to be published & whether they are to be published at Koppal town only or in different parts of the Koppal Taluk to which the Act has been

applied.

The notice has to ~~come~~ be published in the Gazette for 17-10-91. ~~today~~. Please send your reply at once.

RR
15/10/91

RR
15/10/91

Re a copyright on the MM
visit to the Zoo

RR
15/10.

Copy taken

RR
16/10/91

C.F. 804—46,838 Blks.—10-12-38.

OFFICE OF THE _____

Dated _____ '93

_____ Hours _____ Minutes.

TELEPHONIC MESSAGE

From DA.

To A.S. Dev.

Sub: Sugar Cane Act – Minimum price – Enforcement – Hospet.
Ref: Your T.M. of date

The D.I.S.C. may telegraph to the Tahsildar Hospet the Sugar prices as well as the corresponding prices of canes according to the table furnished by me. This office will have these published in the following places:–

(1) At the entrance to the Sugar factories & other conspicuous places near the factory premises,

(2) at the office of the Sub Collector Hospet.

(3) at the Taluk office Hospet.

(4) at the office of the Agrl. Demonstrator, Hospet.

(5) at the office of the Hospet Sugar Cane Growers' Co-op. Union Ltd.

Under rule 9 of the Madras Sugarcane Rules 1938 the manager of a Sugar factory is bound to publish the varying rates fixed by Govt at all places where cane is purchased. It will be open to any prescribed authority to see that the rates as published from time to time by the Tahsildar are noted in the notices put up by the factory.

The D.I.S.C. may be asked to send copies of the telegrams to the Collr. of Bellary & to this office.

10/12

APPENDIX

Notification.

The following draft of a notification, which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act,1934 (XV of 1934) and in supersession of Development Department Notification No.1005 dated the 5th December 1938 published at page 1714 of Part I of the Fort St. George Gazette dated the 6th December 1938, is hereby published as required by section 4 of the said Act for the information of all persons likely to be affected thereby. Notice is hereby given that the draft will be taken into consideration on or after the 20th November 1939 and that any objection or suggestion with respect thereto which may be received from any person before the said date will be considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture.

Draft Notification.

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act,1934 (XV of 1934) and in supersession of Development Department Notification No.1005 dated the 5th December 1938 published at page 1714 of Part I of the Fort St. George Gazette dated the 6th December 1938, His Excellency the Governor of Madras is hereby pleased to fix, with effect on and from the 25th November 1939 the minimum prices specified in column (3) of the Schedule below for the purchase in the controlled area specified in column (1) thereof, of the varieties of sugar-cane mentioned in column (2) of the said Schedule, such sugarcane being intended for use in a factory as defined in the said Act.

Explanation.- (1) The prices specified in column (3) of the Schedule are for delivery of sugarcane at the sugar factory.

(2) The price of sugar specified in column (3) of the Schedule shall be that of white sugar (otherwise known as Aska sugar) as determined by the Director of Industries and Commerce, Madras, and published under his authority every Monday at the office of the Tahsildar, Hospet. Such price shall be current from Monday to the following Sunday (both days inclusive).

S C H E D U L E.

Controlled area (1)	Variety of sugarcane. (2)	Minimum price per ton of 2,240 lbs. (3)
Hospet Taluk.	(i) Plant sugarcane of any Coimbatore variety.	Rs.10 if the price of sugar is Rs.240 or less per ton; and if the price of sugar exceeds Rs.240 per ton a sum of 9.6 pies shall be payable in addition to Rs.10 for every rupee by which the price of sugar exceeds Rs.240/- per ton.
	(ii) Ratoon sugarcane of any Coimbatore vareity.	Rs.9-8-0 if the price of sugar is Rs.240/- or less per ton; and if the price of sugar exceeds Rs.240/- per ton a sum of 9 pies shall be payable in addition to Rs.9-8-0 for every rupee by which the price of sugar exceeds Rs.240 per ton.
	(iii) Local sugarcane (Pundia).	Rs.9 if the price of sugar is Rs.240 or less per ton; and if the price of sugar exceeds Rs.240 per ton a sum of 8.6 pies shall be payable in addition to Rs.9 for every rupee by which the price of sugar exceeds Rs.240 per ton. Note.- The attached table shows how the price of sugarcane of each variety specified above shall be regulated with reference to the price of white sugar.

TABLE SHOWING HOW THE PRICE OF SUGARCANE SHALL BE REGULATED? WITH REFERENCE TO THE PRICE OF WHITE SUGAR.

Price per ton of White Sugar- current from every Monday.	PRICE OF SUGARCANE PER TON OF 2,240 Lb.		
	Plant sugarcane of any Coimbatore variety.	Ratoon sugar- cane of any Coimbatore variety.	Local Sugarcane (Pundia).
240	10 0 0	9 8 0	9 0 0
241	10 0 9.6	9 8 9	9 0 8.6
242	10 1 7.2	9 9 6	9 1 5.2
243	10 2 4.8	9 10 3	9 2 1.8
244	10 3 2.4	9 11 0	9 2 10.4
245	10 4 0	9 11 9	9 3 7.0
246	10 4 9.6	9 12 6	9 4 3.6
247	10 5 7.2	9 13 3	9 5 0.2
248	10 6 4.8	9 14 0	9 5 8.8
249	10 7 2.4	9 14 9	9 6 5.4
250	10 8 0	9 15 6	9 7 2.0
255	10 12 0	10 3 3	9 10 9
260	11 0 0	10 7 0	9 14 4
265	11 4 0	10 10 9	10 1 11
270	11 8 0	10 14 6	10 5 6
275	11 12 0	11 2 3	10 9 1
280	12 0 0	11 6 0	10 12 8
285	12 4 0	11 9 9	11 0 3
290	12 8 0	11 13 6	11 3 10
295	12 12 0	12 1 3	11 7 5
300	13 0 0	12 5 0	11 11 0
305	13 4 0	12 8 9	11 14 7
310	13 8 0	12 12 6	12 2 2
315	13 12 0	13 0 3	12 5 9
320	14 0 0	13 4 0	12 9 4
325	14 4 0	13 7 9	12 12 11
330	14 8 0	13 11 6	12 0 6
335	14 12 0	13 15 3	12 4 1
340	15 0 0	14 3 0	12 7 8
345	15 4 0	14 6 9	12 11 3
350	15 8 0	14 10 6	12 14 10

and so on.

SPECIAL.

Development Departmen

Memorandum No.20088-III/39-9, dat October 1939.

Sub:-Sugarcane Act - Enforcement Hospet Taluk.

The Superintendent, Government Press, is requested to publish the notification forwarded to him with Development U.O.No.20088-III/39-8, dated 16th October 1939 in the ~~Extra~~ Fort St. George Gazette dated 17th October 1939 and in the corresponding issue of the Bellary District Gazette. He is also requested to send 15 copies of the printed notifications to Government.

R. Ramaswami Ayyangar,
Assistant Secretary to Government.

Superintendent, Government Press.

F o r w a r d e d
(By Order)

SUPERINTENDENT.

27

Dev. Dept.

Immediate

G.O. No. 2008 III dt. 10.12.1938

Sugarcane Act —

Hospet Taluk — Minimum price

— Fixation.

DSP with End. SR 20/12

The Hospet Taluk of the Bellary District was declared a controlled area for the purposes of the Sugarcane Act 1934, in notification no. 1004 dated 6-12-38 published on p. 1714 of Part I of the F.S.S.S. dated 6-12-38. Minimum prices for the several varieties of cane in the area were fixed & published in notfn no. 1005 d. 6.12.38. It has A suggestion has been made that the prices the farmers get for his cane should vary with the fluctuations in the price of sugar. A preliminary notification fixing adopting a sliding scale of rates in lieu of the fixed rates mentioned in notfn no.

Immediate

DSP with End. SR 20/12

Immediate

*Ack to be sent

P. T. K

do.

2. 28

1005 dated 5-12-38 have since been published for criticism on p. 1329 of the Part I of the Fort St George Gazette dated 17-10-39, and a copy of it is forwarded.

2. The D.A. Collr of Bellary is requested to instruct the Asst Dts in the Rev. staff in the district to bring the contents of the notfn to the notice of the ryots in the taluk.

3. The D.A. is also requested to submit with his remarks the objections & suggestions, if any, so as to reach the Govt before 21-11-39.

4. The attention of the D of I.C. & the Collr of Bellary is invited to expln (2) in the draft notfn, in which the mode of publication of the Madras price of sugar is to be mentioned. Local Publication in the Taluk Office alone is mentioned in the notification

in order to avoid precludo the possibility of a legal flaw ~~in procedure~~ in actual practice but the Govt desire that the figures of Madras prices should be given wide publicity, especially in the offices of the Sub Collr, Hospet, Asst Dem[r], Hospet & of the Hospet Mpr cane Growers Coop Union Ltd and at the entrance to and in other conspicuous places near the entrance to the Mfgr factories. ~~The Dr of I.P.C.~~ It has been suggested that the Dr of Ind. & Com. should ascertain the wholesale price of sugar in the Madras Market & telegraph the figures ~~to the Collr daily~~ every Monday to the Collr of Hospet who should arrange to have copies the figures published on the same day in his office and in the places mentioned above. The D. of I.P.C. and the Collector of

B

A

30

Bellary are requested to offer their remarks on the suggestion very urgently.

20.10.25.

25.10.25.

To

The D.A. ✓

" D.y.s.p.e. ✓

" C.M.P. Bellary. ✓

" R.C.S. ✓

" Bd. Clerk. ✓

each with a copy of the rep^n

Draft notification under the Sugarcane Act.

Fort St. George, October 17, 1939.

No. 828.

The following draft of a notification, which it is proposed to issue in exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934 (XV of 1934), and in supersession of Development Department Notification No. 1005, dated the 5th December 1938, published at page 1714 of Part I of the *Fort St. George Gazette*, dated the 6th December 1938, is hereby published as required by section 4 of the said Act for the information of all persons likely to be affected thereby. Notice is hereby given that the draft will be taken into consideration on or after the 20th November 1939 and that any objection or suggestion with respect thereto which may be received from any person before the said date will be considered by the Government of Madras. Objections and suggestions should be sent through the Director of Agriculture.

DRAFT NOTIFICATION.

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act, 1934 (XV of 1934), and in supersession of Development Department Notification No. 1005, dated the 5th December 1938, published at page 1714 of Part I of the *Fort St. George Gazette*, dated the 6th December 1938, His Excellency the Governor of Madras is hereby pleased to fix, with effect on and from the 25th November 1939 the minimum prices specified in column (3) of the schedule below for the purchase in the controlled area specified in column (1) thereof, of the varieties of sugarcane mentioned in column (2) of the said schedule, such sugarcane being intended for use in a factory as defined in the said Act.

Explanation.—(1) The prices specified in column (3) of the schedule are for delivery of sugarcane at the sugar factory.

(2) The price of sugar specified in column (3) of the schedule shall be that of white sugar (otherwise known as Aska sugar) as determined by the Director of Industries and Commerce, Madras, and published under his authority every Monday at the office of the Tahsildar, Hospet. Such price shall be current from Monday to the following Sunday (both days inclusive).

SCHEDULE.

Controlled area. (1)	Variety of sugarcane. (2)	Minimum price per ton of 2,240 lb. (3)
Hospet taluk	(i) Plant sugarcane of any Coimbatore variety.	Rs. 10 if the price of sugar is Rs. 240 or less per ton; and if the price of sugar exceeds Rs. 240 per ton a sum of 9·6 pies shall be payable in addition to Rs. 10 for every rupee by which the price of sugar exceeds Rs. 240 per ton.
	(ii) Ratoon sugarcane of any Coimbatore variety.	Rs. 9-8-9 if the price of sugar is Rs. 240 or less per ton; and if the price of sugar exceeds Rs. 240 per ton a sum of 9 pies shall be payable in addition to Rs. 9-8-9 for every rupee by which the price of sugar exceeds Rs. 240 per ton.
	(iii) Local sugarcane (Pundia).	Rs. 9 if the price of sugar is Rs. 240 or less per ton; and if the price of sugar exceeds Rs. 240 per ton a sum of 8·6 pies shall be payable in addition to Rs. 9 for every rupee by which the price of sugar exceeds Rs. 240 per ton.

NOTE.—The attached table shows how the price of sugarcane of each variety specified above shall be regulated with reference to the price of white sugar.

Table showing how the price of sugarcane shall be regulated with reference to the price of white sugar.

Price per ton of white sugar current from every Monday.	Price of sugarcane per ton of 2,240 lb. — Plant sugarcane of any Coimbatore variety.	Ratoon sugarcane of any Coimbatore variety.	Local sugarcane (Pundia).
	Rs. A. P.	Rs. A. P.	Rs. A. P.
240	10 0 0	9 8 0	9 0 0
241	10 0 9·6	9 8 9	9 0 8·6
242	10 1 7·2	9 9 6	9 1 5·2
243	10 2 4·8	9 10 3	9 2 1·8
244	10 3 2·4	9 11 0	9 2 10·4
245	10 4 0	9 11 9	9 3 7·0
246	10 4 9·6	9 12 6	9 4 3·6
247	10 5 7·2	9 13 3	9 5 0·2
248	10 6 4·8	9 14 0	9 5 8·8
249	10 7 2·4	9 14 9	9 6 5·4
250	10 8 0	9 15 6	9 7 2·0
255	10 12 0	10 3 3	9 10 9
260	11 0 0	10 7 0	9 14 4
265	11 4 0	10 10 9	10 1 11
270	11 8 0	10 14 6	10 5 6
275	11 12 0	11 2 3	10 9 1
280	12 0 0	11 6 0	10 12 8
285	12 4 0	11 9 9	11 0 3
290	12 8 0	11 13 6	11 3 10
295	12 12 0	12 1 3	11 7 5
300	13 0 0	12 5 0	11 11 0
305	13 4 0	12 8 9	11 14 7
310	13 8 0	12 12 6	12 2 2
315	13 12 0	13 0 3	12 5 9
320	14 0 0	13 4 0	12 9 4
325	14 4 0	13 7 9	12 12 11
330	14 8 0	13 11 6	12 0 6
335	14 12 0	13 15 3	12 4 1
340	15 0 0	14 3 0	12 7 8
345	15 4 0	14 6 9	12 11 3
350	15 8 0	14 10 6	12 14 10

and so on.

R. RAMASWAMI AYYANGAR,
Assistant Secretary to Government.

C.F. 32.

In reply, please quote number, date and short title.*

Revenue DEPARTMENT.

32899 III
3.11.39

Received _____ *Registered* _____

From (Name) A.D. Crombie Esq., C.I.E., I.C.S.,

(Designation) Collector

Post Box _____, (Station) Bellary,

Telegraphic Address _____

To

The Secretary to Government,
Development Department, MADRAS.

D.Dis.C. No.4692/39 B.3 dated 2-11- 1939.

Sir,

Enclosures _____

_____

_____

Spare Copies _____

The Sugarcane Act of 1934 - Hospet taluk - minimum price - fixation on a sliding scale - Government notification - remarks - report submitted.

Ref: Government Memorandum 20088-111/39-10 dated 20-10-1939.

M.27-30 ante

m. para 4 on p. 28-29 ante.

The suggestion regarding the mode of publication of the Madras price of sugar every week in the Hospet Taluk office and in the several places mentioned in the Government Memorandum quoted above, as detailed in explanation (2) of the notification, is necessary and may be given effect to.

'A' on p. 31 ante

para 2 on p. 33 ante

The Tahsildar, Hospet has been directed to bring the contents of the notification to the notice of the ryots of this taluk.

2/11/39

For Collector.

P.S. 2/11. 2.11.

Dev. Dept.

Submitted for perusal.
Replies from the D-A. and others may be awaited till 20-11-39.

9.11.39

9/11

The India Sugars & Refineries Ltd., Hospet.

33563

To

~~H.M.Hood Esqr.~~, The Secretary, Development Dept
~~Advisor~~, Government of Madras,

Sir,

We beg that the draft notification Number 828 dated 17-10-39 fixing a sliding scale of minimum prices for cane purchased by the India Sugars & Refineries Ltd., Hospet, may kindly be withdrawn forthwith for the following among other reasons:-

1. The draft notification has been issued very late and on the eve of our crushing and has created much confusion in the arrangements already made and to be made for the working of the factory.

2. One factory alone should not be singled out as was done last year for fixing a minium price for cane. If prices have to be fixed, they should be for all factories, though the prices may vary with reference to particular conditions of each area.

3. This year also, practically the same distinction is apparently sought to be perpetuated by the ~~draught~~ draft notification against the Hospet Factory. At first it was the intention of the authorities to fix a flat rate for Bobbili at about a rupee per ton higher than what was contemplated for Hospet. The former rate should have come into operation in September last. But for some reason or other the idea was dropped and a sliding scale is now suggested for both Bobbili and Hospet factories, but with this difference namely that the Hospet factory has now to pay as much as (and not as previously contemplated less than) Bobbili for cane, on the basis of a sugar price of Rs.240 and above per ton and even more than Bobbili, on the basis of a sugar price below Rs.240. For two or three factories a flat

a flat rate of Rs.9-8-0 and Rs.9/- is suggested for the entire season while for other factories no rate is proposed at all.

4. There may be a case, if at all, for fixing a minimum price in factory areas where the growers are unaccostomed to the conversion of cane into jaggery or where there is no other competition for cane but not in areas like Hospet where it has been the practice from time immemorial to convert cane into jaggery. Nineteen power crushers were introduced to crush cane for jaggery last year and there will be 27 such crushers this year; their owners not only cruch cane for hire but also purchase themselves cane for converting it into jaggery.

5. The protective tariff for sugar was imposed with a view to encourage manufacture of sugar, as goor manufacture was uneconomical both for the ryots and consumers, the recovery in goor being only 50% as against 90 to 95% in the manufacture of sugar in any upto date factory. High minimum prices with frequent fluctuations and uncertainities of supply will defeat the above object of the protective tariff.

6. Also, we believe that yet another purpose of the protective tariff is to give reasonable time to the ryot to enable him to grow cane at a cost competitive with other sugar producing countries in and outside India so that there might be a substantial reduction in the cost of sugar to the consumer. By the artificial inflation of cane prices, the above object is likely to be frustrated.

7. The factory cannot consume more than 30% of the cane grown in the Hospet area to meet its full requirements and atleast 70% of the cane grown in the area has necessarily to be converted into jaggery. So, it is always open and easy to the comparatively small number of cane growers inclined to milk supply cane into the factory to refuse to do so and convert their cane into jaggery if the factory's terms are unac-

are unacceptable to them-~~more~~ more so, as the price of jaggery is now very high and, owing to the introduction of a large number of power crushers there are now more facilities than before for conversion of cane into jaggery.

B 8. Minimum prices were being fixed in Behar and U.P. on the basis of the price upto 1937. The tariff board in their report say that there was a break down in this arrangement and that a flat rate had to be fixed for the whole season. There is again an idea in those provinces to revert to the old arrangement but nothing definite is known yet, Hospet conditions are not the same as those of U.P. and Behar and the ryots also, perhaps, more ignorant. It would be a mistake to assume that the conditions there and here are similiar and act on that assumption.

9. The principles adopted for fixing a minimum scale in Behar and U.P. are different in many particulars from those adopted in the draft notification, for example, as regards

(a) the period during which the price will hold good

(b) the method of calculating the sugar price and

(c) the adjustment of prices from season to season etc.,

Nor does the draft scale follow the plan in operation in the Nellikuppam factory. The latter calculates the average price of sugar for the season and pays as bonus the excess if any due to the ryot owing to the average price being above the basic price at which cane was contracted for and supplied.

B So far our experience goes, no sliding scale is likely to be understood by the Hospet ryots and meet with their approval

10. Nor is the sliding scale advantageous to the factory There is no guarantee that the sugar produced from cane purchased on the basis of a particular price for sugar will eventually fetch that price; secondly, when once cane is purchased at a high rate with reference to the sugar price

(A)

~~fixed~~ adopted for the week, ryots will be unwilling to supply cane at lower rates when there is a fall in price and are sure to hold back their cane in the hope that the price of sugar may go up and that the factory will be obliged later on to buy their cane at a higher rate. The Government rules do not compel the ryots to deliver their cane to the factory at the notified prices. This would result in inadequate crushing for days together if not actual stoppage of working-a contingency which no factory can face with equanimity.

11. It is very essential that for a satisfactory working of the factory, arrangements ~~xxx~~ should be made well in advance for regular and steady supply of cane for the whole season. It would be impossible to make such an arrangement with the uncertainty of prices involved in a sliding scale. p.31 ante

12. The rates adopted in the draft notification appear to be based on ~~xxxxx~~ 10% recovery while our recovery last year was only 9.6% and even less in the year before that. The extension of crushing period under present conditions in Hospet brings down the average recovery-please see the accompanying graph.

13. We had contracted for a supply of 14,000 and odd tons of cane at ~~xxxxxxxxxx~~ Rs.10 per ton but because of the notification we are unable now to get this cane. Last year the same thing happened and we had to forego the crushing of 1000 tons of sugar which meant a loss of Rs.40,000 to the Government in the form of excise duty and a loss of about 50,000 rupees to the factory also.

14. The rate of Rs.10 at which contracts were entered ~~xxxxx~~ into for this year, compares favourably both with the minimum price fixed by the Government last year and still in force and with the minimum price recommended by the Tariff Board. The former is Rs9-8-0 for planted variety and Rs9/- for ratoon or on the average Rs.9-4-0 per ton while the

(L)

the factorys rate is Rs.10 for both the variety and ratoon The rate recommended by the Tariff Board on a basis of 9.5% recovery and on the assumption that the factory will work for 130 days in a year, is Rs.9-4-6 per ton of cane.

According to the agricultural department itself, the cost of cane including transport charges etc.is about Rs.8-4-0 per ton and so the rate of Rs.10 gives a clear profit of Rs.1-12-0 per ton. This is only a minimum profit and the ryot may get more by an agreement advantageous alike to him and factory.

15. We had arragged to start crushing from 23rd of last month but the draft notification upset all our arrangements and the huge staff entertained at a high cost are keeping idle. So also the excise staff who arrived in Hospet last month to supervise the expected production of sugar.

16. If the price of sugar rules high during the year and justifies payment of for cane at a rate higher than the flat rate of Rs.9-8-0 and Rs.9 per ton of variety cane fixed as minimum price by the last year's notification,we shall be happy to pay to suppliers a bonus on the lines of the Nellikuppam Factory with due allowance for the varying conditions of the two factories.

A long established factory with many bye-industries like Nellikuppam, has many obvious advantages over a newly started and still struggling one like that of Hospet. The Nellikuppam factory worked last year for 142 days and crushed 13,560 tons of sugar cane with a recovery of 9.79% while we worked for 99 days and crushed 3,288 tons of sugar with a recovery of 9.6%. In the year before that we crushed 3,803 tons of sugar and in the year previous that, 5,520 tons. The accompanying charts show how unsteady was the supply of cane to the Hospet factory last year (it was the same in the pre-

the previous years also, and how the over head charges vary considerably, according to the quantity of sugar manufactured.

A The new factor this year which adds to the cost of manufacture is the abnormal increase in the cost of manufacturing materials, to the tune of Rs.20 per ton of sugar.

17. We doubt whether the ryots will agree even to the plan of Nellikuppam, though it is a best one and, while minimising risks for the factory, allows all suppliers to share alike in the benefits of an increase in the price of sugar. But the Hospet ryot needs still a lot of education. They are likely to insist as in the past on a cash price down instead of waiting for some time even a larger sum for their cane. With such people the factory will have no option but to contract at an agreed price [illegible] p 31 ante

18. The price of sugar in the draft notification is based on Madras prices and not on prices realised at the factory.

p. 31 ante 19. We therefore beg that the draft notification be withdrawn and the factory enabled to begin work immediately. It will take a considerable time for objections to be heard, revised notifications, if necessary, to be issued and final orders thereon to be passed; till then, the factory will be unable to start work with any security and that will mean serious consequences all round. Everyday's delay means a loss to the factory and the shareholders. We beg of you to save us from this catastrophe.

We beg to remain,

Sir,

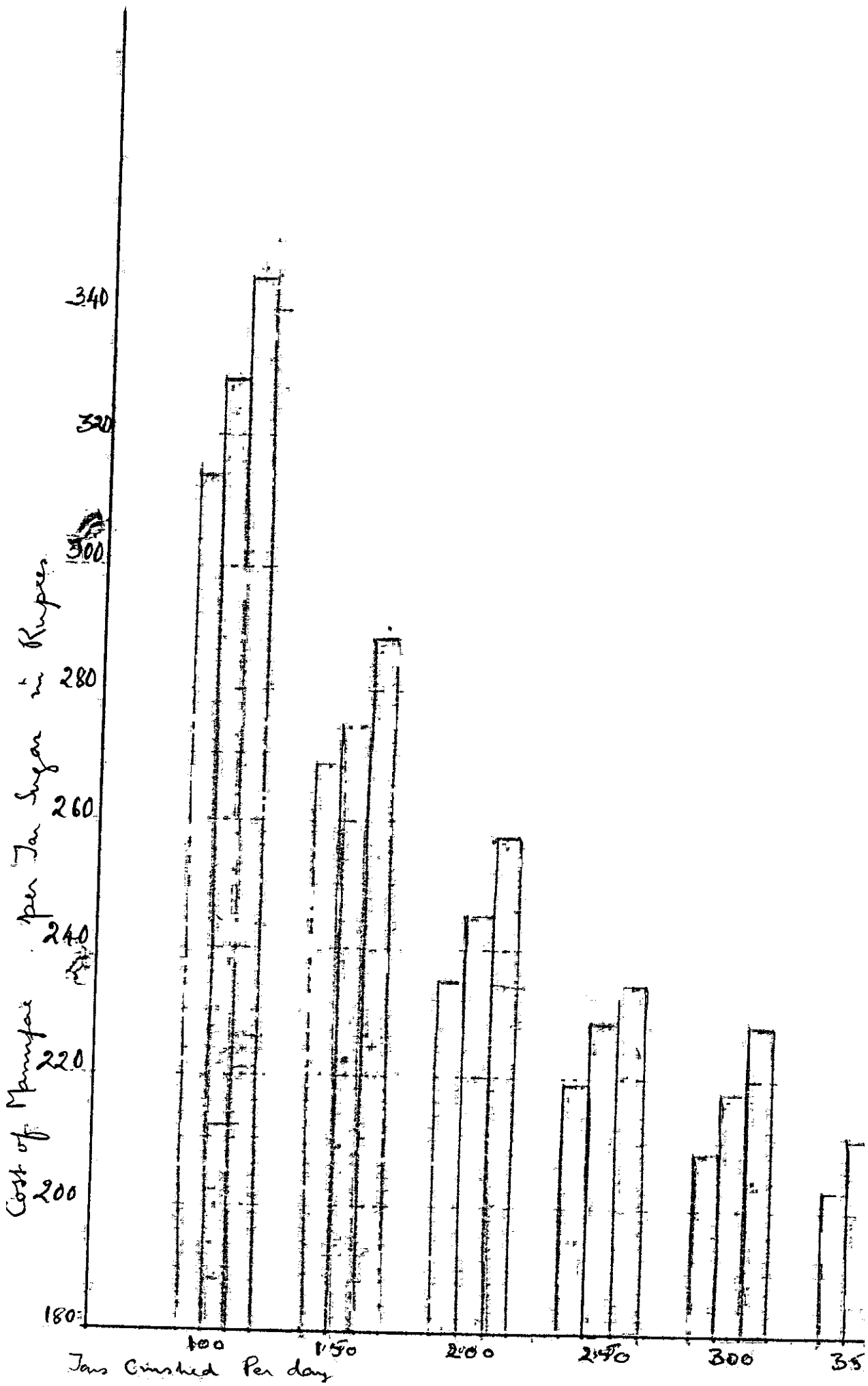
Your obedient servants,

Ranganathan
owned

10/11/29
Bangalore

Managing Agent and Director

The India Sugars & Refine



ies Ltd. Hospe.

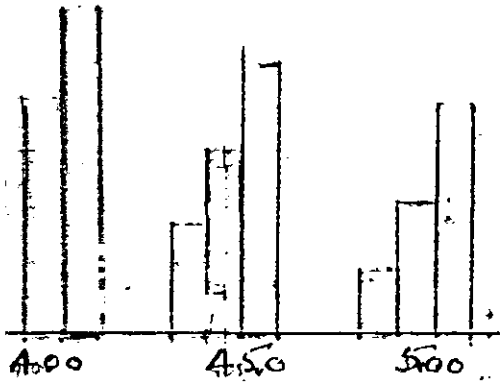
Recovery 9·5

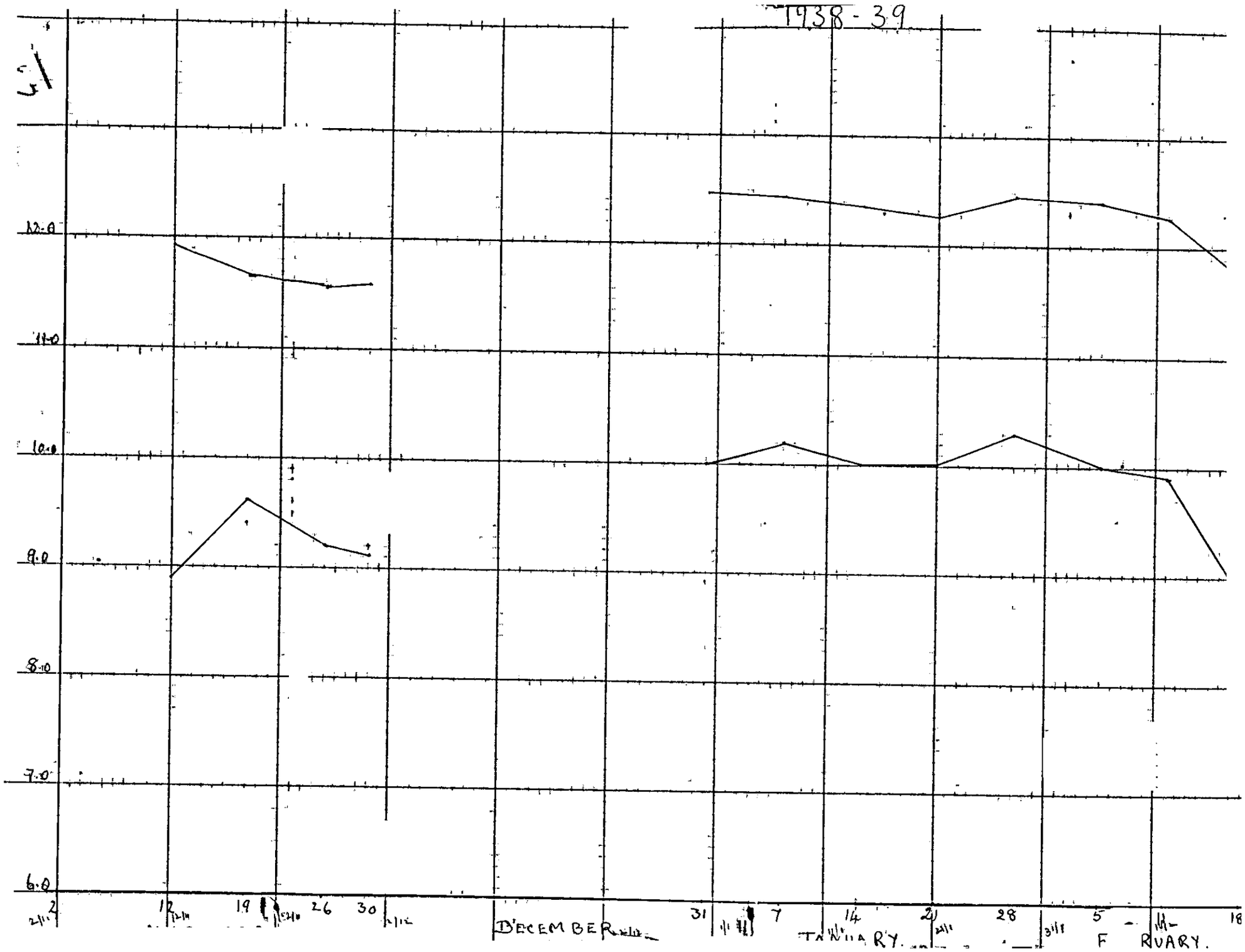
Recovery 9·0

Recovery 8·5

Price of cane at Rs 10/- per ton.

Days of Crop 150

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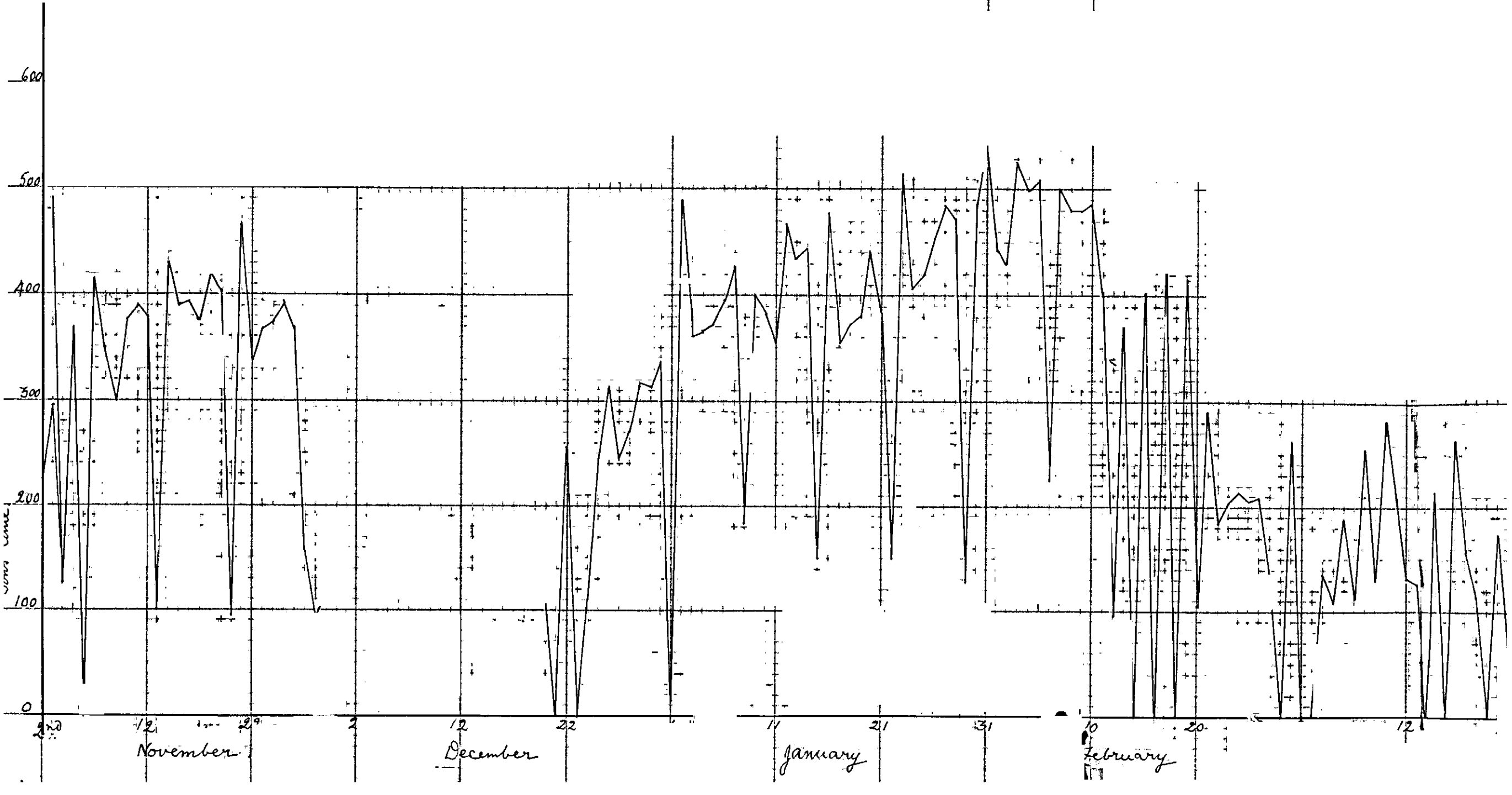
1938-39.

Tons Cane Crushed Daily



NGANATHAM

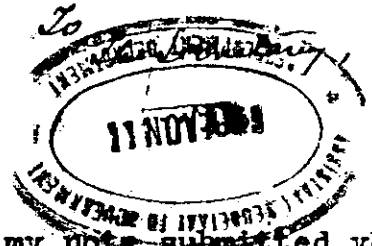
BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G. T. MADRAS.

A.S.(Dev.) 11/11/39 42

To

Development Dept.
Fort St George



Sir,

Dated 11-11-1939.

11-11-39

In my note submitted yesterday, I expressed a doubt whether the Hospet ryots would accept a sliding scale of prices for cane supplied to the Factory. It will be clear from the report of the proceedings of a meeting which appears in a Canarese paper, Samayukta of Karnataka, dated 8-11-39 that my fears are not unfounded. Here is a translation of the report from its own correspondent as published in the paper:-

" Under the auspices of the Hospet Taluk Congress Committee, a public meeting was held in the Reading Room Hospet on the 2nd November, with Sri B.Anantacharya, M.L.A. in the chair, and was attended by the ryots, zamindars and citizens of Hospet. About 2000 people were present at the meeting. The draft notification published in the Fort St George Gazette of 17-10-39 regarding the minimum prices for cane was discussed and it was resolved to request the Madras Govt to confirm the notification with the following modifications:-

1. The price of Rs 10/- per ton provided in the sliding scale is very low, and whatever be the price of sugar, Rs15/- per ton should be fixed as the minimum price. As the majority of growers of cane are illeterate only it will be easy for the ryots to make up their accounts if prices are fixed as above. Moreover as the price of sugar will be low at the time of harvesting of cane it will happen that the price of cane also gets

RANGANATHAM

BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G. T. MADRAS.

4 4

reduced according to the terms of the sliding scale. 19

2. There should be no difference in price between planted and ratoon variety.

3. If in the fixing of cane prices, the price of sugar is going to be taken into consideration. the price obtaining in Hospet should be given as the basis not the prices prevailing in Madras, as there is a difference of Rs 2/8/- per 2 cwts between Hospet and Madras prices. If Madras prices are considered, Rs 2/8/- should be added to the price.

4. This meeting requests the Madras Govt that jaggery be included in the rules ~~relating to sale of~~ ಬೆಲ್ಲವನ್ನು ಸೇರಿಸಲು ಕೋರಿಕೆ ಮಾಡಿಕೊಳ್ಳುತ್ತದೆ (formerly Sale Tax Act) in

5. No attempt has been made to repair the roads to the wet lands, though they are bad. It is requested that the Govt give a special grant and ask the District Board to repair the said roads.

6. The meeting authorises the chairman to communicate the above Resolutions to the Director of Agriculture, ~~Registrar of Co-operative Societies~~ and advisor to the Govt, Agriculture ~~and the Govt~~. The cutting from the paper 'Samyukta' is enclosed.

Yours sincerely

Ranganatham

P. 46 infra

ಸಂಯುಕ್ತ ಕರ್ನಾಟಕ ತಾ. ೮-೧೧-೪೯

ಹೊಸಪೇಟ ರೈತರು ಹಾಗು ಜಮೀನದಾರರ ಸಾರ್ವಜನಿಕ ಸಭೆ

ಕಬ್ಬಿನ ಕನಿಷ್ಟ ಬೆಲೆಯ ಸರಕಾರಿ ಪ್ರಕಟನೆಯ ವಿಚಾರ

(ಸ್ವಂತ ಸುದ್ದಿಗಾರರಿಂದ)

ಹೊಸಪೇಟ ತಾ ೬

ಹೊಸಪೇಟ ತಾಲೂಕ ಕಾಂಗ್ರೆಸ್ ಕಮೀಟಿಯ ಪರವಾಗಿ ೨ ನೇ ತಾರೀಖಿನ ದಿವಸ ಹೊಸಪೇಟ ನಗರ ರೀಡಿಂಗ ರೂಮದಲ್ಲಿ ಶ್ರೀ ಬನದಿಹಾಳ ಅನಂತಾಚಾರ್ಯರು ಎಂ ಎಲ್ ಎ ಇವರ ಅಧ್ಯಕ್ಷತೆಯಲ್ಲಿ ಹೊಸಪೇಟ ರೈತಾಂ ಜಮೀನದಾರರು ಹಾಗು ನಾಗರಿಕರ ಸಾರ್ವಜನಿಕ ಸಭೆ ಸೇರಿತ್ತು. ಸಭೆಗೆ ಸುಮಾರು ೨೦೦೦ ಜನರು ಆಗಮಿಸಿದ್ದರು.

ಮದ್ರಾಸ ಸರಕಾರದವರು ಅಕ್ಟೋಬರ ೨೯ ನೇ ತಾರೀಖಿನ ಫೋರ್ಟ ಸೆಂಟ ಜಾರ್ಜ ಗ್ಯಾಝಿಟದಲ್ಲಿ ಕಬ್ಬಿನ ಕನಿಷ್ಟ ಬೆಲೆಯ ಸಂಬಂಧವಾಗಿ ಪ್ರಕಟಿಸಿದ ಕಚ್ಚಾ ಪ್ರಕಟನೆಯು ಚರ್ಚಿಸಲ್ಪಟ್ಟು ಅದರಲ್ಲಿ ಕೆಳಗಿನ ತಿದ್ದುಪಡಿ ಮಾಡಿ ಅದನ್ನು ಸ್ಥಿರಪಡಿಸಬೇಕಾಗಿ ಮದ್ರಾಸ ಸರಕಾರಕ್ಕೆ ವಿನಂತಿ ಮಾಡಿಕೊಳ್ಳಲು ನಿಶ್ಚಯಿಸಲ್ಪಟ್ಟಿತು.

೧] ಒಂದು ಟನ್ ಕಬ್ಬಿಗೆ ಈಗ ಗೊತ್ತು ಮಾಡಿದ ೧೦ ರೂಪಾಯಿ ಸ್ಲಾಯಿಡಿಂಗ ಸ್ಕೇಲ ಬಹಳ ಕಡಿಮೆಯಿದ್ದು ಸಕ್ಕರೆಯ ಧಾರಣೆಯು ಏನೇ ಇರಲಿ ಅದನ್ನು ಕನಿಷ್ಟ ೧೫ ರೂಪಾಯಿಯೆಂದು ನಿರ್ದಿಷ್ಟ ಮಾಡಬೇಕು. ಕಬ್ಬು ಬೆಳೆಯುವವರಲ್ಲಿ ಬಹುಸಂಖ್ಯಾಕರು ಅಶಿಕ್ಷಿತರಿರುವದರಿಂದ ಹೀಗೆ ಬೆಲೆ ಗೊತ್ತು ಮಾಡಿದರೆ ಅವರಿಗೆ ಲೆಕ್ಕ ಮಾಡಲು ಸುಲಭವಾಗುವದು. ಇದಲ್ಲದೆ ಕಬ್ಬು ಕೊಯ್ಯುವ ಕಾಲದಲ್ಲಿ ಸಕ್ಕರೆಯ ದರವು ಕಡಿಮೆಯಿರುವದರಿಂದ ಸ್ಲಾಯಿಡಿಂಗ ಸ್ಕೇಲದ ಪ್ರಕಾರ ಕಬ್ಬಿನ ಬೆಲೆಯು ಕಡಿಮೆಯಾಗುವ ಸಂಭವ ವಿದೆ.

೨] ರತನ ಕಬ್ಬು ಮತ್ತು ಪ್ಲಾಂಟ ಕಬ್ಬಿನ ಧಾರಣಾಯಲ್ಲಿ ಅಂತರವಿರಕೂಡದು.

೩] ಕಬ್ಬಿನ ಕನಿಷ್ಟ ಬೆಲೆಯನ್ನು ನಿರ್ಧರಿಸುವಲ್ಲಿ ಸಕ್ಕರೆಯ ಧಾರಣೆಯು ವಿಚಾರಕ್ಕೆ ತೆಗೆದುಕೊಳ್ಳಲ್ಪಡದಿದ್ದಲ್ಲಿ ಹೊಸಪೇಟದಲ್ಲಿ ಸ್ಥಾಪಿತವಿರುವ ಧಾರಣೆಯನ್ನು ಹಿಡಿಯಬೇಕಲ್ಲದೆ ಮುಖ್ಯವಾದ ಧಾರಣೆಯನ್ನು ಹಿಡಿಯುವದು ಯುಕ್ತವಲ್ಲ. ಯಾಕೆಂದರೆ ಹೊಸಪೇಟೆಯಲ್ಲಿ ಸಕ್ಕರೆಯು ಧಾರಣೆಯು ಮದ್ರಾಸಧಾರಣೆಗಿಂತ ಒಂದು ಚೀಲಕ್ಕೆ [illegible] ರೂ ಹೆಚ್ಚು ಇರುವದು. ಮದ್ರಾಸದ ಧಾರಣೆ ತಗೆದುಕೊಂಡರೆ ಒಂದು ಚೀಲಕ್ಕೆ ೨-೪-೦ ರೂಪಾಯಿಯಂತೆ ಹೆಚ್ಚು ಹಿರಿಯಬೇಕು.

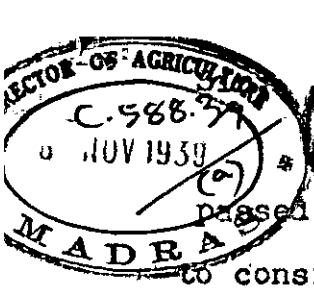
೪] ವ್ಯಾಪಾರಿ ಜೀನಸುಗಳ ಮಾರಾಟ ಕಾಯಿದೆಯಲ್ಲಿ ಬೆಲ್ಲವನ್ನೂ ಸೇರಿಸಬೇಕು ಎಂದು ಈ ಸಭೆಯ ಮದ್ರಾಸ ಸರಕಾರಕ್ಕೆ ವಿನಂತಿ ಮಾಡಿಕೊಳ್ಳುತ್ತದೆ.

೫] ಈ ತಾಲೂಕದ ನೀರಾವರಿ ಭೂಮಿಗಳ ಭಾಗದಲ್ಲಿಯ ರಸ್ತೆಗಳು ಕೆಟ್ಟು ಹೋಗಿದ್ದರೂ ಅವುಗಳನ್ನು ದುರಸ್ತ ಮಾಡಲು ಯಾವ ಉಪಾಯವೂ ಕೈಕೊಳ್ಳಲ್ಪಟ್ಟಿಲ್ಲ. ಆದ್ದರಿಂದ ಈ ಸಭೆಯು ಸರಕಾರಕ್ಕೆ ವಿನಂತಿಸಿಕೊಳ್ಳುವದೇನೆಂದರೆ ಶೀಘ್ರ ಸ್ಪೆಶಲ್ ಗ್ರಾಂಟ ಕೊಟ್ಟು ಜಲ್ಲಾ ಬೋರ್ಡಿನವರಿಗೆ ಅವುಗಳನ್ನು ದುರಸ್ತ ಮಾಡಬೇಕೆಂದು ತಿಳಿಸಲು ಕೇಳಿಕೊಳ್ಳು-

೬] ಈ ಗೊತ್ತುವಳಿಗಳನ್ನು [illegible] ಒಕ್ಕಲತನ ಖಾತೆಯ ಸೆಕ್ರೆಟರಿಗಾ [illegible] ದ್ಯೋಗ ಮತ್ತು ಬಿ [illegible] ಯರೆಕ್ಟರರಿಗೂ ತಿಳಿಸಲು ಈ [illegible] ಅಧ್ಯಕ್ಷರಿಗೆ ಅಧಿಕಾರ ಕೊಡುವದು.

Sri B. Ananthachar, B.A.B.L., M.L.A.,
Pleader.

Hospet
Date. 6th Novbr.'39



I am sending herewith copies of resolutions passed at a public meeting held in Hospet on 2-11-39 to consider the Draft Notification regarding the fixation of minimum price for sugarcane published by the Madras Government in the Fort. St. George Gazette on 17-10-39.

The meeting was a most representative of ryots and Landlords of this town and the neighbouring villagers. The resolutions were passed unanimously. I have obtained the signatures of the more important people that were present at the meeting and took part in the discussions and the originals are with me.

Yours Sincerely,

Ananthachar
6/11

To
The Honble H.M. Hood, Esq., I.C.S.,
Adviser to Government.
Through
The Director of Agriculture,
Madras.

PUBLIC MEETING OF THE RYOTS, LANDLORDS AND CITIZENS OF HOSPET

Dated 2-11-1939.

HOSPET TOWN READING ROOM.

CHAIRMAN:- Sri. B. Anantha Char, M.L.A., was unanimously elected to be the Chairman of the meeting.

ATTENDANCE:- Over two thousand people mostly ryots, some Landlords and a few Merchants were present. (The signatures of the important people that were present is given in a separate sheet attached to this.)

R E S O L U T I O N S.

I. The Draft Notification on minimum price for Sugarcane published by the Government of Madras in the Fort. St. George Gazette of 17th October 1939 was considered in detail. It was resolved to request the Government to confirm the same after making the following changes:-

(1) In place of the sliding scale which starts at an abnormally low rate of Rs. 10/- per ton of cane a minimum price of Rs. 15/- per ton of cane should be fixed irrespective of the price of sugar. Such a fixed minimum price is easily understood by the canegrowers majority of whom are illiterate and is easy to calculate. Besides, since the price of sugar is lowest during the crushing season the price of cane according to the sliding scale is likely to be the lowest.

(2) There should be no difference in price between the plant cane and ratoon cane.

(3) If in fixing the minimum price for sugarcane the price of sugar is taken into consideration the rates prevailing at Hospet should be taken and not the Madras rates. For the cost of sugar at Hospet is about Rs. 2-8-0 per bag (224 lbs.) higher than at Madras. If Madras rates are taken they must be enhanced by Rs. 2-8-0 per bag of 224 lbs.

II. This meeting resolves to request the Government to include Jaggery in the Commercial Products Marketing Act.

III. Though the Roads in the wet land areas (of this Taluk) are in a most deplorable condition no action is taken so far to repair them. Therefore this meeting requests the Government to order the District Board to repair the same by making necessary special grants for that purpose.

~~IV~~ IV. This meeting authorised the Chairman of this meeting to communicate the above resolutions to the Government, the Hon'ble Advisers for Agriculture and the Directors of Agriculture, and Industries.

Ramaswamy

CHAIRMAN.

SIGNATURES OF THE MORE IMPORTANT RYOTS, LANDLORDS AND OTHERS THAT ATTENDED THE PUBLIC MEETING ON 2-11-1939.

I. H O S P E T.

1. (Sd) Korisetty Sangappa
2. " Kabberi Kammappa
3. " Maddi Sannikappa
4. " S.M. Padasha
5. " K. Narayana Rao
6. " Gowdra Bharmalingappa
7. " Jothi Komarappa
8. " Nanakeri Hirebhimappa
9. " Kambali Fennajjappa
10. " Tharehalli Morihanumanthappa
11. " Gujjala Somappa
12. " Goragatha Bharmappa
13. " Kadiri Sannathammappa
14. " Uligatha Sanna Hanumanthappa
15. " Sannakki Hanumanthappa
16. " Dandi Govindappa
17. " Gujjala Hire Hanumappa
18. " Bisati Maliappa
19. " Kabber Khasimappa
20. " Mulla Imam Sahib
21. " Byalahal Chitawadeppa
22. " Bhimappa
23. " Bharmappa
24. " Dodda Bharmappa
25. " Sunkada Parsappa
26. " Hussain Peer Sahib
27. " Veerapur Mohammad Sahib
28. " Khaji Raja Sahib
29. " Chand Sahib
30. " Bandi Jambanna
31. " Belagudu Ramappa
32. " Jeevan Sahib
33. " Khasim Sahib
34. " Raja Sahib.
35. " Maddi Hanumanthappa
36. " Dadamiah Sahib
37. " Naganhalli Raja Sahib
38. " Hussain Sahib
39. " Maktum Sahib
40. " Adavi Hulugappa
41. " Mariappa
42. " Durgappa
43. " Vatti Bhimappa
44. " Kakkeri Bharmappa
45. " G. Siddappa
46. " Thimmappa
47. " Gurumurthippa
48. " Gujjala Parsappa
49. " Talakal Gundappa
50. " Gujjali Thimmappa
51. " Sindigeri Venkatappa
52. " Eswarappa
53. " G. Yemanappa
54. " Dharmappa
55. " Hanumanthappa
56. " Matti Karimappa
57. " " Lingappa
58. " Kichiddi Bharmappa
59. " Somiahanawaru Kanimappa
60. " Bharmappa
61. " Hanumanthappa
62. Sd. Tanguri Katappa
63. " Bandi Ambanna
64. " Sindigeri Bhimappa
65. " Tanguri Sannekappa
66. " Kanakappa
67. " M.Kanekappa
68. " Raju Thippanna
69. " Bhangi Sudagadappa
70. " Sindigeri Hanumappa
71. " Hussain Sahib
72. " Thirukappa
73. " S. Revappa
74. " A. Eranna
75. " I. Gurunath
76. " G.Varadappa
77. " Bharmappa
78. " Javan Pavadappa
79. " Gujjala Thirkappa
80. " Agasara Neelappa
81. " Keswappa
82. " K. Kanakappa
83. " Bandi Ambanna
84. " Kampli Chennappa
85. " Desai Lakshmana Rao
86. " Govindachar
87. " Honnur Sahib
88. " Ellappa
89. " Adri Ellappa
90. " Honnurappa
91. " Kali Yemanappa
92. " Ramappa
93. " Virabhadrappa
94. " Maliappa
95. " R.Abdulkarim Sahib
96. " Khaja Hussain Sahib
97. " Khaja Hussain
98. " K.Fakruddin
99. " Fakruddin Sahib
100. " Doddi Madhavappa
101. " Ramappa
102. " S. Thammanna
103. " Mukiah
104. " Erappa
105. " Hanumappa
106. " Thotappa
107. " H.Siddappa
108. " Hanumanthappa
109. " Jambappa
110. " C. Vedavayachar
111. " Reddera Thimmappa
112. " Sannakki Sivalingai
113. " B.Balasivareddi
114. " D.K. Hussain Sahib
115. " Meti Bhasappa
116. " Kanamihalli Obappa
117. " S. Hanamantha Rao
118. " S. Veerabhadrappa
119. " Kolagada Ramachandrappa.
120. " H.Govindachar
121. " Asundi Keswara Rao

Hospet (Continued)

124. Sd. K. Siddappa
125. " Kampli Pampanna
126. " H.Srinivasachar
127. " Kudari Ramappa
128. " Devaramani Venkappa
129. " K.Eswarappa
130. " K. Nabi Sahib
131. " Chalavadi Parsappa
132. " Kampli Hanumanthappa
133. " Begari Hulagappa
134. " Kali Honnurappa
135. " Begar Hanumanthappa
136. " Kajji Hajjappa
137. " S.S.D. Basiah
138. " Gadigana Basappa
139. " T. Ramachandara Cheety
140. " C. Venkoba Rao
141. " G. Virappa
142. " Gulam Hussain
143. " Kadimani Malakajappa
144. " ~~Kadi~~puram Eswaraiah
145. " Ajjunappa
146. " Kasai Bade Sahib
147. " Bandi Pasappa
148. " Sannaki Ramappa
149. " Madikanumappa
150. " Gujjala ~~Mayaurappa~~ Veeranagappa
151. " Banagar Nabi Sahib
152. " Banagar Ismail Sahib
153. " Allimaddu Sannakappa
154. " S. Bharmappa
155. " Nirlagi Thaiappa
156. " Moldar Hannur Sahib
157. " Kuyigi Narasappa
158. " Adavi Kanumappa
159. " K. Hanumanthappa
160. " K. Veerappa
161. " C. Sakarappa
162. " Kallimani Malappa
163. " ~~Matalx Sxkkixhx~~
163. " Matala Siddiah
164. " S. Gurunathappa
165. " C. Chatharappa
166. " Jalihangadi Kotrappa
167. " Dhari Veerabhadrappa
168. " Medaralli Jambappa
169. " Thalakal Bhimappa
170. " Ramanmali Sahib
171. " H. Siddappa
172. " B. Chanda Hussain Sahib
173. " Thuppada Veerabhadrappa
174. " Paltur Sivalingappa
175. " Labbi Abdul Karim Alias Bapu Sahib
176. " Hossuri Hanumanthappa
177. " Anji Varagabasappa
178. " Goravur Rayappa
179. " Nanikeri Kanamappa
180. " Bandisanna Mareppa
181. " Hadavi Parsappa
182. " M. Jambappa
183. " K.V. Chalapathi
184. " B. Kumarappa
185. " Bellary Sarvayya
186. " Kumarappa
187. Sd. Nagappa
188. " R. Narasimhulu
189. " N.N. Thippiah
190. " N. Sarnayya
191. " Jali Sanmanthappa
192. " K.Somappachetty
193. " M.Krishnachar
194. " S.R.Suramanayam
195. " T.H.M. Siddayya
196. " Keswachar
197. " N.Gannaveerayya
198. " ~~Bel~~lachannappa Bellada
199. " Tharell Ulagappa
200. " Meti Basappa
201. " B.K. Hussain Sahib
202. " Dr.R.N.Gowda
203. " Jali Pampanna
204. " C.Venkappa Reddimadalapur
205. " Malli sannthimmappa
206. " Gowda Jambappa
207. " Thambarahalli Veerayya
208. " K.Ambannachetty
209. " Veerannagowda
210. " Kanakappa
211. " Poudappa
212. " Gasthi Bharmappa
213. " Sajjada Lingappa
214. " Harasur Thotappa
215. " Dandi Gadilingappa
216. " Dolina Bharmappa
217. " Kolimi Pompanna
218. " Nanikeri Ramappa
219. " ~~Karagudi~~ Raja Sahib Kurugodu
220. " Basapur Bhimappa
221. " Bhyramsingh
222. " Somayanur Bharmappa
223. " Khasim Sahib
224. " P.H. Mahaboob Sahib
225. " P. Bhavakan
226. " G. Ramabhat
227. " R. Venkoba Rao
228. " A. Gundachar
229. " Halithimappa
230. " Kudithini Veerappa
231. " Jinagayi Veerappa
232. " A.M. Antony
233. " Y. Narayanappa
234. " Hossur Krishnamachar
235. " Katiki Imam Sahib
236. " Hussain Peer Sahib
237. " N. Raja Sahib
238. " S.V. Nayappa
239. " K. Swami Rao
240. " ~~B. Ayyar Sahib~~ Jinagattalla Sahib
241. " Sivalingappa
242. " Thatti Basanna
243. " Badigi Ulaganna
244. " Cheguri Dodda Basappa
245. " S.V.Dodda Hanumanthappa
246. " Hyali Sanna Bharmappa
247. " Buddan Sahib
248. " Belagodu Karikalappa
249. " Thalur Ali Sahib
250. " Kamma Hanumanthappa
251. " Jambanalli Siddappa

Hospet (Continued.)

252. Sd. Tharihalli Hanumanthappa
253. " Katiki Sivappa
254. " Mariyappa
255. " Kenchappa
256. " Ogulappa
257. " Gujjala Rudrappa
258. " M. Nageswa Rao
259. " Hindekar Hussain Sahib
260. " Narasapur Knimappa.
261. " R. R. Rudra Goud.
262. " Kudera Sivappa.

II. ANANTHASAYANANAGUDI.

1. sd. D. Ambanna
2. ,, D. Amajappa
3. ,, Gujjala Ambanna
4. ,, KappliBheemappa
5. ,, Ayyali Lingappa
6. ,, Kappli Sanna Bheemappa
7. ,, Banakar Sanna Hanumanthappa
8. ,, Talavar Honnurappa
9. ,, Nanikera Vadakappa

III. KONDINAYAKANAHALLI.

1. sd. Kathariki Hanumanthappa
2. ,, Kargadappa
3. ,, Amudali Nagappa
4. ,, Chimpigara Mallesappa
5. ,, Era Basappa Palledu.
6. ,, Vadra Hulugappa

IV. MALAPANAGUDI.

1. ,, Dammur Hanumanthappa
2. ,, Vadra Hanumanthappa
3. ,, Obappa
4. ,, Kanivihalli Thindappa
5. ,, Adimani Lakshmappa

V. CHITTA ADIGI.

1. ,, Madinur Thimmappa

VI. KANIVI BASAPUR.

1. ,, Pujari Ramachendrappa

VII. AMARAVATHI.

1. ,, A. Venkoba Rao

VIII. KAMALAPUR.

1. ,, D. Venkoba Rao

True Copy to Misdirected Belongs to Agr Dept 15/11

3405

To.

Hon'ble H.M.Hood, Esq.,

Adviser to the Governament of Madras.

Through The Director of Agriculture,

Madras.

DEV.

176

16 NOV 1939

Honoured Sir,

Subject:- Regarding the minimum price of Sugar cane.

We the ryots of the villages of Kamalapur, Venkatapur, Kaderampur, Humpi, Nimbapur, Danapur etc of Hospet Taluk, Bellary Dist., thank you very much for the issue of the Draft Notification dated 17th Oct. 1939. under the Sugar cane Act, and most humbly beg to bring the following few facts for your kind consideration and favourable early orders.

p.31 ant

During the past two years we represented our grievience to the Govt and requested to fix the minimum price of Sugar Cane as Rs.12/- per Ton of 2240 lbs; and we also showed the figures of Sugar Cane production and the amount realised per acre. It was in vain.

p 31 ante

The sliding scale specified in the Draft Notification does not help us much so long the minimum price is anything less than Rs.12/-per Ton, taking into account the cost of production.

It may not be out of place here to point out that the factory at Hospet has purchased Sugar Cane during 1938-39 season at Rs.12/- per Ton, when the Sugar price was about Rs 28/- (Then the Govt had fixed the minimum to Rs 10-0-0. for planted Cane & Rs 9-8-0. for ~~Retuns.~~ ratoon.) It may be reminded here that the cost of Sugar production is not much affected on account of the increase in prices of Chemicals due to war.

Another handicap from which the Ryots are apt to suffer is the difference in value that the Govt has shown between the planted and the ~~retune~~ ratoon. It is most probably difficult even for

for technical people to distinguish between the two; since the manuring and fertility of the land has its own effect on the crop. Apart from this, the cost of harvesting the ~~retune~~ ratoon is actually more than the planted cane; and moreover the factory authorities themselves have valued the planted and the ratoon alike during the past seasons.

Hence, while bringing all these facts to your kind consideration, we most humbly beg and request you, Sir, (1) To fix the minimum price as Rs 12/8. per ton of Sugar Cane, if the price of Sugar is Rs 240 and less; and in addition to it to pay a sum of 9·6 pies for every rupee by which the price of Sugar Cane exceeds Rs 240 per ton; (2) To show no difference in value between planted and ratoon canes of Coimbatore variety ; (3) To pay ~~cart~~ Cart hire of Rs 1/8 per ton for cane supplied from the above mentioned villages since all of them are more than six miles away from the factory; for which act of kindness we are ever greatful.

We remain, Sir,

Your most obedient Servants

Kamalapur.
Hospet.Tq.
13th Nov.,'39.

B. Ramachandra
Secretary, Ryots' Association
K.V. Narasimhacharlu
A.V. Krishnan
B. Seingrachari
B. Jeshwanth
P. Rama Rao.
K. Madhavachar
A.G. Office Superintendent
Javaregowda Somasundar
B. Govindachar

ಕಾಲಿಗೆ ಬಿದ್ದು ಕಣ್ಣೀರು ಹಾಕಿದರೂ ಕರುಣೆ ತೋರದೆ ಕೊಲೆ ಮಾಡಿದ್ದಾರೆ.

ಕೊಲೆಯಾದ ಮಹಿಳೆಯ ಹೆಸರು ಮತ್ತು ವಿಳಾಸ ತಿಳಿದು ಬಂದಿಲ್ಲ.

ಕೊಲೆಯಾದ ಮಹಿಳೆಯ ಮೈಮೇಲೆ ಯಾವುದೇ ಆಭರಣಗಳು ಇರಲ

ఊరి యడగైయబ్బట్టు గురుల్ని జాలశెట్టి
రాట్టు యప్ప

O ఊరి యడగైయబ్బట్టు గురుల్ని ఆళ్ళ శద్ద
యప్ప యన్నాదఢి శెట్టి

O ఈ యడగైయబ్బట్టు గురుల్ని బరమ్మి యప్ప

O ఈ యడగైయబ్బట్టు గురుల్ని గురుశ్యాప్రరు
సరాశై యం యన్నాదఢి శెట్టి.

O ఈ యడగైయబ్బట్టు గురుల్ని జాయడశెట్టి
బసయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని యన్నాదఢిశెట్టి
రంభయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని యన్నాదఢి
శెట్టి శాంతయప్ప.

O ఈ యడగైయబట్టు గురుల్ని ఝాలాం
ఛబయప్ప.

ఈ యడగైయబ్బట్టు గురుల్ని శోంభ.
శారు ఓబయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని లయన్నాదఢి
శెట్టి శానగయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని శెయద్దం
లాన ఓబయప్ప.

O ఈ యడగైయబ్బట్టు గురు బసయప్ప

O ఈ యడగైయబ్బట్టు గురుల్ని బత్రయప్ప

O ఈ యడగైయబ్బట్టు గురుల్ని సూర్రియప్ప

O ఈ యడగైయబ్బట్టు గురుల్ని చాప్రలంగా

O ఈ యడగైయబ్బట్టు గురుల్ని ఈరంగా
యన్నాదఢి శెట్టి.

O ఊరి యడగైయబ్బట్టు గురుల్ని జాయడ
శెట్టి. యత్రయప్ప

) ఈ యడగైయబ్బట్టు గురుల్ని న[illegible]
లోబారు బయప్ప

ఈ యడగైయబ్బట్టు గురుల్ని గట్ట
ఓబయప్ప.

ఈ యడగైయబ్బట్టు గురుల్ని
శెట్టి నాగయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని ఓబయ

O ఈ యడగైయబ్బట్టు గురుల్ని అశిశెద్ది
యప్ప జాయడశెట్టి.

O ఈ యడగైయబ్బట్టు గురుల్ని జాయడశె
ట్టి గురుశ్యాప్రరు ఓబయప్ప

O ఈ యడగైయబ్బట్టు గురుల్ని జాయడ
శెట్టి వోడ్డ సరాశె యప్ప

) ఈ యడగైయబ్బట్టు గురుల్ని జాయడ
శెట్టి భీమై యప్ప.

: గుద్ది ర జైగట్టు.

O ఈ యడగైయబ్బట్టు గురుల్ని జాయడ
భీమలింగయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని
జాయడశెట్టి శాసట్టు.

O ఊరి యడగైయబ్బట్టు గురు లక్ష్మ
యప్ప

O ఊరి యడగైయబ్బట్టు గురుల్ని యంకటి

O ఊరి యడగైయబ్బట్టు గురుల్ని జాయడశెట్టి
బసయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని జాయడ
శెట్టి గోవిందట్టు.

O ఊరి యడగైయబ్బట్టు గురుల్ని జాయడ
శెట్టి బరదయప్ప.

O ఊరి యడగైయబ్బట్టు గురుల్ని పాడయ

O ఊరి యడగైయబ్బట్టు గురుల్ని జోశై
యప్ప జాయడశెట్టి.

O ఊరి యడగైయబ్బట్టు గురుల్ని జాయ
డశెట్టి భీమలయప్ప.

O ఈ యడగైయబ్బట్టు గురుల్ని లింగ
ట్టు.

O ఊరి యడగైయబ్బట్టు గురుల్ని పెద్ద

O ఊరి యడగైయబ్బట్టు గురుల్ని జాయ
డశెట్టి బసయప్ప.

O ఊరి యడగైయబ్బట్టు గురుల్ని నాశెరు
యశెట్టు

: బళగారు రాజట్టు.

O ఈ యుడెగైయు ఖబ్లీటు సుబ్బు కాళ్ళే రు శబ్దం.

O ఈ యు డెగైయు ఖబ్లీటు సుబ్బు కాళ్ళే రు దురు శబ్దు

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు కాళ్ళే రు వినుపిస్తు.

O లూయు డెగైయు ఖబ్లీటు సుబ్బు తొక్కి వేస్తు. కాళ్ళే రు.

O కాళ్ళే రు యు రుచెల్లబట్టు.

: రూ రు నసుండి యాకొనబట్టు.

: K Adavi Rao

: ఫ్రీ ఖాతా తుశేళ్ళనో.

: శబ్దబట్టు.

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు

: కాశ్మీరు తుల్లా కాబు.

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు శశ్మీరు సుడ్డి రుశేళ్ళన కాబు.

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు శుభ్రం తున్నా కాబు.

O యూ యు డెగైయు ఖబ్లీటు సుబ్బు బడ్డీ కాబు.

O ఈ యు డెగైయు ఖబ్లీటు సుబ్బు రొప్పుశే నా కాబు.

O ఈ యు డెగైయు ఖబ్లీటు సుబు బళ్ళ గాకు చెప్పు నంబడ్డట్టు బళ్ళగాకు ఉరు పు ంది

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు కాశబ్దట్టు.

యు ళ్ళిత్తి కాముంది.

బళ్ళగాకు తుళ్ళుంది.

లూతంగుడు రు(ద) యుళ్ళి

శంబుడ్డ శబ్దబట్టు

లూ శ్మశానబటు

O యూ యు డెగైయు ఖబ్లీటు సుబ్బు తొక్కి వేస్తు.

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు యు బొగ్గాబు

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు కాశబ్దట్టు

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు కాకు నాళ్ళు.

: శబ్దభాకు యూ రబ్దట్టు.

O యూ యు డెగైయు ఖబ్లీటు సుబ్బు ఆగకేకు కావ్వై యుబ్బి.

: ఆళ్ళబారగట్టు నంజ్ఞేయుబ్బి

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు రురు బర

: రుసు లుంతబ్బట్టు.

: S. Gudachar

: ఆడ్డాలా శ్రీ ఫ్లేట్టు.

O యూ యు డెగైయు ఖబ్లీటు సుబ్బు బళ్ళగాకు లుంశబ్దట్టు.

: సొంబూరు బ్రగలుంతాబాబ్బి.

: రుసు లుంతబ్బట్టు.

O లూ యు డెగైయు ఖబ్లీటు సుబ్బు అన్నీ భాంది నభ్రీ కాబు.

O యూ యు డెగైయు ఖబ్లీటు సుబ్బు సొల్లగసొ బింబట్టు

62 C 588-3

To,

Honbl'e H.M.Hood, Esq.,

Adviser to the Governament of Madras.

Through The Director of Agriculture,

Madras.

Same petition as on pp. 52-55 ante

Honoured Sir,

Subject:- Regarding the minimum price of Sugar cane.

We the ryots of the villages of Kamalapur, Venkatapur, Kaderampur, Humpi, Nimbapur, Danapur etc of Hospet Taluk, Bellary Dist., thank you very much for the issue of the Draft Notification dated 17th Oct. 1939, under the Sugar cane Act, and most humbly beg to bring the following few facts for your kind consideration and favourable early orders.

During the past two years we represented our grievences to the Govt and requested to fix the minimum price of Sugar Cane as Rs.12/- per Ton of 2240 lbs; and we also showed the figures of Sugar Cane production and the amount realised per acre. It was in vain.

The sliding scale specified in the Draft Notification does not help us much so long the minimum price is anything less than Rs.12/-per Ton, taking into account the cost of production.

It may not be out of place here to point out that the factory at Hospet has purchased Sugar Cane during 1938-39 season at Rs.12/- per Ton, when the Sugar price was about Rs 28/ (Then the Govt had fixed the minimum to Rs 10-0-0. for planted Cane & Rs 9-8-0. for ratoon Retune.) It may be reminded here that the cost of Sugar production is not much affected on account of the increase in prices of Chemicals due to war.

Another handicap from which the Ryots are apt to suffer is the difference in value that the Govt has shown between the planted and the ~~retune~~ Ratoon. It is most probably difficult even for

for technical people to distinguish between the two; since the manuring and fertility of the land has its own effect on the crop. Apart from this, the cost of harvesting the ratoon ~~ratune~~ is actually more than the planted cane; and moreover the factory authorities themselves have valued the planted and the ratoon alike during the past seasons.

Hence, while bringing all these facts to your kind consideration, we most humbly beg and request you, Sir, (1) To fix the minimum price as Rs 12/8. per ton of Sugar Cane, if the price of Sugar is Rs 240 and less; and in addition to it to pay a sum of 9·6 pies for every rupee by which the price of Sugar Cane exceeds Rs 240 per ton; (2) To show no difference in value between planted and ratoon canes of Coiambatore Variety ; (3) To pay ~~[illegible]~~ Cart hire of Rs 1/8 per ton for cane supplied from the above mentioned villages since all of them are more than six miles away from the factory; for which act of kindness we are ever greatful.

We remain, Sir,

Your most obedient Servants

Kamalapur.
Hospet.Tq.
13th Nov.,'39.

B. Virabhadrachar
Secretary Ryots Association
K. V. Narasimha Lakkavalli

B. Narasingachar

B. Ramachar

B. Jeerachar
P. Raja Rao.
Agaffur Kapatraj.

B. Gundachar

B. Singrachar

M. Narayanappa.

B. N. Devikacharya

S. Shahmohmmad
Khadri

Hampi Mohamad Gyoosh
and Shams Shuddeen

లూయడ్జగై యబ్బట్టు గుర్తు-
బ్రాలి కేరింగాటు యుగై

వాయడ్జగైయబ్బట్టు గుర్తు అరిళ్-
శబ్ద యుగై. తుస్వేద్ధ కేరింగ.

గూయడ్జగై యబ్బట్టు గుర్తు అరిళ్-
కేంఱ యుగై తుస్వేద్ధ కేరింగ.

లూయడ్జగై యబ్బట్టు గర్తు బరతు-
యుగై తుస్వేద్ధ కేరింగ.

ఓూయడ్జగై యబ్బట్టు గుర్తు-
గురుకొగై రోషన్నగై యుగై.

లూయడ్జగై యబ్బట్టు గుర్తు-
ఓూవడికేరింగ బసమవై

ఈయడ్జగైయ బ్బట్టు గుర్తు-
కేంఱ యుగై తుస్వేద్ధ కేరింగ.

ఈయడ్జగై యబ్బట్టు గుర్తు-
తుస్వేద్ధ కేరింగాటు యుగై

ఈయడ్జగై యబ్బర్తిగుర్తు లుగా-
నరి బ యుగై

ఈయడ్జగై యబ్బట్టు గుర్తు
గొంచకార బలియుగై

ఈయడ్జగైయబ్బట్టు గుర్తు
తుస్వేద్ధ కేరింగాగ యుగై.

లూయడ్జగై యబ్బట్టు గుర్తు బ
యుగై

లూయడ్జగై యబ్బట్టు గుర్తు బసమ
తుస్వేద్ధ కేరింగ.

లూయడ్జగై యబ్బట్టు గుర్తు
ఓవడికేరింగాటు

లూయడ్జగైయ బ్బట్టు గుర్తు తుస్వేద్ధ-
కేరింగ సూగైయుగై.

ఈయడ్జగై యబ్బట్టు గుర్తు-
ఓూవై యుగై.

లూయడ్జగై యబ్బట్టు గుర్తు
తుస్వేద్ధ కేరింగ ఈరంగి.

ఓూయడ్జగై యబ్బట్టు గుర్తు ఓూవడి
కేరింగయు త్రువై యుగై.

లూయడ్జగై యబ్బట్టు గుర్తు
సల్వాజరు బ్లైయుగై ఓూవడికేరింగ

లూయడ్జగై యబ్బట్టు గుర్తు
ట్టర్గబ బయుగై

లూయడ్జగై యబ్బట్టు గుర్తు-
ఓూవడికేరింగ సొంకెట్టు.

లూయడ్జగైయ బ్బట్టు గుర్తు ఓూవ
డికేరింగాటు యుగై.

లూయడ్జగై యబ్బట్టు గుర్తు
ఓూవడికేరింగాగ యుగై.

లూయడ్జగై యబ్బట్టు గుర్తు బ
యుగై

లూయడ్జగైయబ్బట్టు గుర్తు ఓూకే
రేవ్య యుగై ఓూవడికేరింగ.

లూయడ్జగై యబ్బట్టు గుర్తు
ఓూవడికేరింగ గురికొగై రుబ్బలయ్య

70

Copy to : Honble T. G. Rutherfurd Esq
Adviser to The Madras Govt

"V E R Y U R G E N T".

71

C.F. 30.

AGRICULTURAL **DEPARTMENT**.

Received 20 NOV 1939 ..19

Registered 34435 M/39 ..19

Subject.

Sugarcane Act - Enforcement - Hospet Taluk.

Submitted for perusal

20.11.39 S.

20/11/39

ENCLOSURES.

No.

Spare copies

No.C.588.39.

Station M a d r a s, *Dated the* 20th November 19 39

From (Name) P. H. RAMA REDDI ESQ., I.A.S.,

(Designation) Director of Agriculture, Madras.

To The Secretary to the Government of Madras,

Development Department.

Sir,

pp. 72+73 infra

I enclose copies of the two representations dated the 18th November 1939 received from Sri M. Raghavendra Rao representing Nagenahalli and Ananthasayangudi villages.

I have the honour to be,

S i r,

Your most obedient servant,

M Rangaraju

S.L.**20-11.

DIRECTOR OF AGRICULTURE.

72

From

M. Raghavendra Rao, B.A., B.L.,

Pleader, Hospet.

To

The Director of Agriculture,

M a d r a s.

Sir,

I am authorised to communicate the following resolutions for your information and request that necessary action may be taken.

Yours obediently,

Sd. M. Raghavendra Rao,
18/11/39.

Copy of the resolutions passed at the public meeting of the wet land ryots of Ananthasayangudi village, Hospet Taluk held on 12-11-39 under the Presidentship of Sri M. Raghavendra Rao, B.A., B.L., Pleader, Hospet.

p. 31 ante

1. The draft notification issued by the Madras Government regarding minimum price of Sugarcane in Hospet Taluk on 17-10-39 should be confirmed with the following modifications:-

A

(i) The price of Sugarcane should be Rs. 15/- per ton irrespective of the price of sugar.

(ii) If it is decided that the present sliding scale should continue, the price of sugar at Hospet and not at Madras should be taken into consideration.

(iii) There should be no difference in price between plant and ratoon cane.

2. The President of the meeting is authorised to communicate the above resolutions to the proper authorities.

Sd. M. Raghavendra Rao,
18/11/39

(True copy)

Hospet
18-11-39.

From

M.Raghavendra Rao, B.A., B.L.,
Pleader, Hospet.

To

The Director of Agriculture,
M a d r a s.

Sir,

I am authorised to communicate the following resolutions fo your information and request that necessary action may be taken.

Yours obediently,

Sd. M.Raghavendra Rao,
18-11-39.

Copy of the resolutions passed at the public meeting of the wetland ryots of Nagenahalli village, Hospet Taluk held on 15-11-3 under the Presidentship of Sri R.Thimmappa, a prominent ryot of th place. Sri M. Raghavendra Rao, B.A.B.L., and Sri B. Anantha Char B.A.B.L., M.L.A. were present at the meeting.

p.31 ante

(1) The draft notification issued by the Madras Government regarding minimum price of Sugarcane in Hospet Taluk on 17-10-39 should be confirmed with the following modifications.

(i) The price of Sugarcane should be Rs.15/- per ton irrespecti of the price of sugar.

(ii) If it is decided that the present sliding scale should continue, the price of sugar at Hospet and not at Madras should be taken into consideration.

(iii) There should be no difference in price between plant and ratoon cane.

(2) The Madras Government be requested to extend the operation the Madras Commercial Crop Market Act to jaggery in Hospet Taluk.

(3) Sri M. Raghavendra Rao, B.A., B.L., is authorised to communicate the above resolutions to the proper authorities.

Sd. M. Raghavendra Rao
18-11-39.

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MEMORANDUM OF OBJECTION TO THE GOVERNMENT DRAFT NOTIFICATION UNDER THE SUGARCANE ACT No. DATED 17-10-39, BY THE INDIA SUGARS' SHAREHOLDERS' ASSOCIATION, HOSPET.

Presented at 11-30 a.m. in person by C. R. Partha Sarathi Aiyangar. Head of the Assocn. This may be Submitted to A2 as special. CMO 20/11/39. A2

20.11.39

Our Association represents the interests of the Shareholders of the Hospet Sugar Factory, which was started in 1934. We have a paid up capital of Rs.11¼ lakhs and so far we have not got any dividends. While it is quite proper for the Government to safeguard the interests of the Ryots, we beg of the Government not to lose sight of the Shareholder's interests. During the first two years, the factory could not work to full capacity on account of opposition from the Jaggery Merchants and the irregular supply of cane and we consequently incurred heavy losses. During the next two years the factory worked appreciably well, thanks to the Co-operation of the peasantry but there was the accumulated depreciation to wipe out before we could aspire to profits. Then there was the Government's Excise duty which takes away a good portion of the margin which otherwise would have been available for the benefit of the Shareholders, and which was not present in the minds of the Tariff Board commissioners,, when they recommended to the Country the prospect of lucrative investment in the Sugar Industry.

After paying the excise duty of nearly Rs.1,60,000 what little may be left is now sought to be denied to us under the draft notification. After all these years of deficit working, what with one thing or another, we have now a chance of getting some return for our investments on account of this

high price due to War conditions. Of course nobody can say how long this price will rule for the modern wars may end as suddenly as they start, throwing all calculations to the winds. Yet however we venture to hope that this year we may be able to earn reasonable profits. Even that hope seems to be foredoomed to failure on account of this notification. p-31 ante

In the first place this notification has disturbed all the arrangements of the past as well as of the future. If we should run the factory successfully preparations must be made even from the very commencement of the sowing season, in order to regulate the supply for the whole crushing season. Otherwise even one day's interruption in the supply throws the entire system out of order entailing loss. To take a simple instance, we cannot open and shut down steam as we like, nor can we afford to keep on the steam awaiting the arrival of the cane. In order therefore the cane may be at our doors, we have to contract with the peasants well in time. During the previous year we have had such contracts, ensuring continuous flow of cane on the one hand and establishing perfectly harmonious credit relationship with the peasants on the other. We were also in a position to make advances to the peasants against cane to be raised and indeed we have advanced nearly to an extent of a lakh of rupees. p.31 ante

When we were thus establishing ourselves so happily with the peasantry, suddenly came the (L) notification last year. We knew that this notification would cause a great deal of dislocation of business and breach of contract. Ifi fact they all happened as expected. Now after a year's working of the notification, we can speak from experience, that such notifications lead to the ruin of the industry of the factory

in Hospet. The very basis upon which the factory works, i.e., the regulated supply of cane is knocked out by this notification. Once you are not sure of the supply, the rest of the arrangements will have simply to collapse. The peasants with whom we have to contract months before the season for ensuring regulated supply, find in the notification an opportunity to break all contracts, break all their solemn promises. In such a demoralising atmosphere, when solemn contracts become mere scraps of papers, nobody can start any work, for where is there any dependability ? Again if this notification should at all be made, our Hospect Factory must be the last one to which it may be applied. The raison d etre for the notification is that canegrowers are dependant on the Factory, for the consumption of their cane, whereas our Factory is dependant on the canegrowers the very reverse of it. Thus, while our factory is at the mercy of the canegrowers, who supply 2/3 of the cane to the local jaggery manufacturers and only 1/3 to the factory, it is not just and proper to compel us to pay a price which they are free to accept or reject. We would therefore beg of the Government to leave the matter of the price to be determined by the natural laws of supply and demand. If it pays the peasants to sell the cane to the jaggery merchants, they can always do so and the factory is at all times obliged to pay a higher price if it should work.

One of the miscalculations of the promoters of this Factory is to have chosen this particular Hospet area for the manufacture of sugar. In the first place, it is

a jaggery manufacturing centre from the days of the ancient kingdon of Vizianagar. Secondly the variety of cane grown there is of an ~~incomparable~~ comparatively poor quality, the suerose content being 9.5 per cent. Naturally the tonnage of cane must be high, requiring 10.5 tons of cane to manufacture one ton of sugar. This simple fact has evidently escaped the notice of authorities when they took the recovery as 10 per cent. This naturally affects our manufacturing costs as detailed below. Now if the Government starts as it proposes to do with a price of Rs.240/- per ton, we have after deducting Rs.143/- for cost of manufacture, there is only Rs.97/- left for the purchase of cane, which means we can buy cane only at Rs.7/- per ton. Therefore either the minimum price must be fixed at Rs.7/- or the basic price of sugar at Rs.262/- In the latter case we will have a margin of Rs.119/- left for purchase of cane at Rs.10/- per ton.

Following are the details of the working costs:—

		Rs.	
Manufacturing cost		34.57	
Administration expenses.		25.48	
Interest.		6.53	142.20
Depreciation		22.59	
Income tax		14.03	
Excise duty.		40.00	
Sugarcane at the present minimum rate of Rs.10/-		119.00	
	Total	262.20	

The next question is that of a scale of payment for every rupee realised by sale of sugar above the basic price. This is reversing the procees of cause and effect and a dangerous principle to follow. We are called upon to pay something before anything is realised. Secondly we do not know whether the cane which we purchase at the present

level of sugar price will realise as finished goods the same price as and when it is sold. To-day the sugar price is high on account of abnormal conditions and once those conditions settle down, the prices may collapse and what is to happen to the factory if it should purchase cane at the present high level and sell the sugar when the prices collapse? One such misfortune will simply finish off the factory, ending in an irretrievable disaster and eventual liquidation. The best thing in all these cases of unstable economic conditions is to average one's profits so as to cover contingent and unexpected losses. It is only thus the factory can weather hard and lean days. Of course we are not opposed to the sharing of the profits with the peasants and a system of bonus sharing is exactly what will meet the situation, for we will know if there is anything at all to share before we fix how much to share.

So our request to the Government is to permit the Factory and the Ryots to come to an arrangement between themselves, as they have been doing before the Government intervened. Even now, it is quite easy for the Factory to come to a settlement and indeed we ~~have~~ had made every arrangement to start the Factory in the middle of October but suddenly came the notification, raising high expectations in the minds of the peasants who naturally began to hold back their cane. They argue why should we deny ourselves a higher price if the Government is going to fix one.

Lastly, we learn on very good authority that the north Indian producers are going to open stores and market ~~40,000~~ forty thousand tons of sugar and this will involve us into a competition of the kind that happened in 1936 when the price of sugar went so low as Rs.220/- per ton.

C.R. Ramasarma Chetty Avergs
President
T.S.R. Shareholders
Association
20. 11. 39

L. Padmanabhan
Hon. Secretary
The Sugar Shareholders
Assn. Ltd.
20. 11. 39.

RANGANATHAM

V-E-A S.(Dev) '19

Tuo

2.1/11/39.

1-45 P.M.

BESANT AVENUE
ADYAR, MADRAS.
Y.M.I.A.
21-11-39
G. T. MADRAS.

To

The Secretary,

Development Department

Fort St. George

Dated 21st Novr. 1939.

Dear Sir,

I have one or two alternative proposals to make for favour of consideration, before final orders are issued regarding - minimum prices for cane.

I believe that yesterday's talks went to show that the ryots are not so helpless as to accept any rates that may be offered by the factory but they are in a position to refuse supply of cane to the factory, if what they consider a reasonable price is not offered to them. So, my submission is, so far as Nospet area is concerned, there is no need to fix a minimum price.

If it is considered that a minimum price should be fixed, I submit that it should be ~~in fact~~ a real minimum price and not ~~the~~ a ~~minimum~~ price which the factory may be able to pay under particular and favourable circumstances. It should have some relation to the actual cost of cultivation and not be based altogether on the high sugar price which may or may not subsist throughout the year. Also, however high the price of sugar may be, the factory will not be able to reap the full benefit of it, unless the factory works for the

X-80

normal period of 150 days and crushes to its full capacity, throughout the season. Past experience shows that the latter has not been the case.

For the above state of affairs, it will not be right to blame altogether the grower or the factory or both. Regular and adequate supply depends on the availability of sufficient number of carts and on the road facilities. As paddy and cane are alterately grown, it often happens that cane if it is to be carted to factory has to pass through paddy fields. When the paddy is still on the fields, the paddy cultivator does not allow cane carts to pass over his fields.

A good number of growers depend on hired carts for transport. Even those that own their own carts would like to employ additional carts for hire and deliver their cane quickly- to avoid watching of crops against pilfering, damage by wild animals or to deliver the cane before it dries up & loses weight- These hired carts come from outside villages and their number depends on the season and conditions in those villages- If the cultivators in those villages have their own agricultural operations to attend to, they do not care to go to Hospet, neglecting their work at home- So the above points among others have to be borne in mind, in fixing the min-

A. RANGANATHAM

BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G. T. MADRAS.

Dated 19

mum price, so that the factory may have some margin to fall back upon, if supplies are not adequate and regular.

What shall be the minimum price? Yesterday, it was ~~stated~~ stated that Rs.7/- represented the cost of cane per ton. I do not know if it included the transport-charges to factory. I shall allow one rupee for it and it is a liberal figure. The factory has entered ~~into~~ into contracts for supply of cane at Rs.10/- per ton. That gives a profit of Rs.2/- a ton or 25 per-cent. Is the factory assured of such a profit? I beg to reiterate that Rs.10/- is only the minimum price and it is indisputable that higher prices may have to and will be paid, when circumstances justify and demand them. If as one of the members insisted Rs.14/- has to be paid, can the factory afford it? The ryots may convert his cane ~~with~~ into jaggery and get more for his cane. But the facotry cannot afford to purchase cane at such prices and work ~~the factory~~ with advantage.

I like to place all my cards on the table. If it is your view that Rs.10/-, with a margin of 25% profit to the grower is not enough, for a minimum price, I submit that it should not be fixed at more than Rs.10-8-0 per ton. The Director of Agriculture, I submit without any disrespect to anybody, cannot be charged with

partiality for the factory. He told me when he visited Hospet along with Sir T.Vijayaraghavacharya and the Registrar of Co-operative Societies (I believe it was in September) that he would recommend a rate of Rs.10-8-0 per ton for Hospet area. I do not know whether he made a recommendation to that effect and whether it is on record. But it appears to me that he could not have logically recommended any other rate - if a flat rate was to be adopted. He had recommended Rs.11/8/0 per ton for th factory at Bobbili. He had recommended a rate less by Rs.2/- for other factories in the same area, because of the lesser efficiency of those factories' and compared with Bobbili. Bobbili factory worked from 12th Nov to 4th April and crushed on the average more than the full capacity of the factory. Its recovery was 10.38%. Hospet crushed for a smaller number of days and the average crushing was less than the full capacity of the factory and the recovery was 9.6 per cent. According to the above, Bobbili, to produce 1 ton of sugar, will have to crush 9.6 tons of cane, which at Rs.11-8-0 per ton will cost Rs.110-6-0. Hospet factory to get its ton of sugar will have to crush from 10.4 and 10.6 tons of cane. At Rs.110-6-0 for this quantity, the rate per ton will be Rs.10-8-0

The above is purely on recovery basis and, if the smaller number of working days and insufficient supply is taken into account

A. RANGANATHAM

98 83

BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G. T. MADRAS.

Dated.....19

the rate will have to be taken at a lower figure. So I submit that if a flat minimum rate is to be fixed, it should not be at more than Rs.10-8-0 per ton. If more is paid, it will be by mutual agreement between the factory and the grower.

Lastly, whether the Nellikuppam formula may not be followed. I said yesterday that Rs.280/- inclusive of excise duty may be taken as the limit above which 0-0-6 to 0-0-8 may be paid as bonus for every increase of a rupee in the price. It was pointed out that for the grower to get Rs.11/- per ton, the average price of sugar should work out to Rs.304. I said, that, if necessary, the scale may be revised. The cost of manufacture has for the new season since increased by Rs.2/- per ton of sugar. Still the bonus may, if you please, start from a price of Rs.260/- instead of 280. Then if average price of sugar works out Rs.304/-, the ryot will be eligible for a bonus of $44 \times \frac{1}{24} = 1\text{-}13\text{-}4$ per ton, i.e., he gets a price of 11-13-4 per ton of his cane.

I believe, it was felt that the ryot cannot wait till the end of the year to receive his bonus. If I may say so, I agree. At Nellikuppam, the ryot does not wait till the end of December to receive his bonus; only the prices ~~xxxxx~~ ~~xxxxx~~ from Janu-

ary to September are taken into account in arriving at the average. If necessary, in the case of Nospet, also, the same procedure may be followed. Or if it is considered advantageous to the grower, the price from January to June only may be considered to arrive at the average. Both the factory and the grower will be taking some risk whether prices from January to ~~the average~~ June or January to September are taken for arriving at the average. It cannot be helped. The bonus system is really the fairer one but it is a matter of doubt whether under present conditions every mwot will accept this arrangement. That is why I am craved permission to arrange for supplies either at flat rate or under the bonus arrangement.

A flat rate of Rs.10/- assuming that the factory works to its full capacity and for 150 days would be justified if the average price of sugar is 10 X 10 = 105 plus 105 plus 40 = 250 Rs. per ton. 11 Rs, Rs 27-0-0; 11-8-0 Rs 281-8-0 Rs.10-8-0 will mean Rs.260-8-0; 12-0-0, 292/- 12-8-0 302-8-0; 13-0-0, 313; 13-8-0, 323-8-0; 14-0-0, 334-0-0. It will be seen from Nellikuppam figures that the average price of the sugar ex-factory on rails was Rs.300/- per ton. As all know, this year from January to October 29 has been an exceptional year for sugar prices. Sugar marketing Board has warned us to be prepared for a fall in prices. What is going to be the average next year? It was 260 in 1934-35, 254 in 1935-36;

A. RANGANATHAM

BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G.T. MADRAS.

-7- 80 82

Dated ..... 19 .

in 1937-38

209 in 1936-37; 247-8-0 for our factory. The minimum price must be so fixed as to enable the factory to carry on its work, if possible, even if there is a fall in the price of sugar. For if the minimum price is fixed high, the ryot will still demand it, even tho' the price of sugar may not justify payment at that rate. The factory will then find itself in a very difficult situation. The Government may, if they will, consider yet another proposal. It has been pointed above that Rs. 292 should be the price of sugar to give Rs. 12 per ~~candy~~ ton of cane which is the maximum price according to the Tariff Board's formula. It may, therefore, be ruled that Rs. 12 should be the minimum price, when the price of sugar is Rs. 300 and above and Rs. 11 when price of sugar is Rs. 280 and above and Rs. 10 when it is below Rs. 280. The price will be ~~over~~ factory prices and this seems also to be the desire of the Ryots of Hospet. If the above does not appeal to the ryots, the Government may, if they like, allow them to come to any agreement with the factory subject to a minimum price of Rs. 10.

We shall give a written undertaking to carry out any of the accepted proposals and, on that assurance, the Government may consider the withdrawal of the notification.

yours sincerely

A Ranganatham

RANGANATH

UNDER SECRETARY TO GOVT.
4-DEC 1938
DEVELOPMENT DEPARTMENT

3 8/6

BESANT AVENUE
ADYAR, MADRAS.
Y.M.I.A.
G. T. MADRAS.

Dated ... October 19...

Dear Mr Hood,

I am not troubling you for an interview because I do not want any one to think that I am trying to take undue advantage of your indulgence towards me. There is a Telugu proverb according to which a person who drinks even milk at the foot of a date tree will be suspected of having taken toddy. I was eagerly looking forward to a Government Notification regarding fixation of cane price in the last week's Gazette but my disappointment found none in it. We have lost a precious week of crushing cane which means a very great deal to a poor factorylike that of Hospet. I request that early and, if possible, favourable orders may be passed to ease the difficult situation the factory and perhaps some of the ryoys are passing through.

I doubt if there is any Province in the whole of India where one factory was singled out as in the last year for fixing a minimum price. Nor can we think of any other Province where, as in this year in Madras, 4 different systems have been proposed for adoption for fixing cane price. In Vizag the prices are proposed to be fixed by arbitration

RANGANATHAM

2. 4 87

BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G.T. MADRAS.

Dated.....19

by the Director of Agriculture, the Director of Industries and the Registrar of Co-operative Societies. In Vizianagaram a higher rate was proposed for Bobbili Factory and a lower rate less by Rs. 6/- for the other factories in the same District. For Hospet yet another method was suggested. All other factories in the province were to be left alone.

Last time when you kindly met some of us in a body Mr. Sundaram Iyer was good enough to insinuate many things against the management of the factory. I may say that this is not the first time he and his friends have made such accusations to the authorities. They approached also the Registrar of Joint Stock Companies. I shall be grateful for an opportunity to show how baseless their accusations are.

He accused the Managing Agents of many things. Apart from all else, it cannot be denied that it was, after his taking up the Managing Agency, the factory began to turn the corner. So far, he has been mindful of the interests of the factory. During the past, he has been good enough readily to forego a sum of Rs. 15,000 and odd out of the remuneration due to him. I hope and pray that in the future also he may

A. RANGANATHAM

BESANT AVENUE
ADYAR, MADRAS.

Y.M.I.A.
G. T. MADRAS.

Dated.....19 .

not be less mindful of his obligations to the factory.

Frankly, my personal view is that the matter of price may be left to the ryots and the factory to settle between themselves. If the factory adopts an unreasonable attitude, it will very soon be forced by stress of circumstances to revise its attitude. I know of factories in Southern India where comparatively high prices were offered but did not attract supplies worth mentioning. The Hospet ryots are, if anything, in a better position to claim and get a fair price for their cane.

Yours sincerely,

A Ranganatham

89 -

West Depth.

20088 III of

Sugarcane – Prices.

From Shri A. Ramaswamy Mudaliar

d. 12-7-39.

V. I C.F.

D. A. to see me early about this

V. V. G. 18-7-39.

To A.S.

ff. 2 ns. below

The D.A. has been asked to see H.M. The file may be sent to H.M.

H. M. is leaving Madras today and is returning on the afternoon of 31st. Unless it is known that he is leaving Hill to-day, this may be sent to him on 1/8

Rll 26/7 26.7.39

RC 27/7

DA can see me on the 31st

ac- Nov 1 C.M.

27/7

'D.A. will not be in Madras on 1st August as he will be going to Bombay for the meeting of the I.C.C.

MM 27/7/39

2 90

7/3/57

Desk Deptt.

D.O. No. 20088 III 57-1 d. 25/3/57

( )

Sugar cane - Ancès.

—

I am to forward copy of a letter addressed by Sri A. Ramjanatha Mudaliyar to the Hon'ble the Minister for Industries & Labour. The Hon'ble Minister desires that you should see him about it at an early date.

Y. S.

24/3/57

To

Sri D. M. Rama Reddi IAS.

D.A. as above

with a copy of C.F.

26/3/57

26/3/57

3 91

Deputy Depot

C.M.

The D.A.

Sugarcane - Prices

Govt D.O. 20088 III of-1

d. 25-7-91

Please state when you propose to see the Hon'ble Minister for D.A.

T.M. issued

P.C. Deputy 8/8/91

Reminder 17/8

17/8

20088 92 [illegible]

C.F. 304—1,000 Bks.—5-8-38.

OFFICE OF THE _____

Dated _____ 193 .

_____ Hours _____ Minutes.

111

TELEPHONIC MESSAGE

From D. A.

To A. S., Dev.

Sugarcane – Prices.
Govt. D.O. No. 20088-III/39-1
dt 25-7-39.

The D.A. saw the H.M. (S. & L.) in the Secrtt. on the 11th. inst.. As a result of the discussion, draft proposals to Govt. are under consideration

D.D.S.
17/8

Dev.

The D.A.'s proposals may be awaited.

17.8.39

17.8.39

18.8.39

≤ 93

OW.

HM (142) says that the date

C.F. ⊗ 12/9/35 which he has used for an interview, for Mr. A. Ranganatha Mudr, shd be changed to 15/9/35. Put up pp

31/8

D. A. to see me about this

C.F. Mr. Ranganatha Mudaliyar has been asked by me to meet me on the 12th Sept 35.

V. V. G. 30.8.35.

A draft letter to Sri Ranganatha mudaliyar is submitted for approval.

The D.A. saw HM. on 11-8-35 and after discussion is drafting his proposals. This draft D.O. below

D.4/4

It is for ~~[illegible]~~ if it is H.E's intention that the D.A. should see him again.

[illegible]
31.8.39

RS
1.9.39
H.S
S

RC
1/9/39
I presume it is H. M's intention that D.A.
S should see him once only on 15/9/39

LMO
2/9/39

H.M.(I&L) ya KVG
6/9

via SM

LMO
6/9/39.

R 95

Desk Deptt

D.O. No. 20088 III ఫ-4 d. 6.9.ఫ

)

Agarcane - Prices.

—

In cntn of D.O. No. 20088 III ఫ-1 d. 25-7-ఫ, I am to inform you that the Hon'ble the Minister for F.M. desires that you should see him again in connection with the subject mentioned above ~~as soon as~~ on 15th Sept'l as possible.

D. 2nd f.

1.9.

Do

Sri M. Rama Reddi MLA, 7.8.ఫ

D.A

96

Submitted for use at tomorrow's interview with Mr Ranganekar Hindu.

The D/I has gone on tour to Hyderabad and has reported he would not be returning before the 14th or 15th inst. ~~Possibly tomorrow~~ He has not returned today. He may possibly come to-morrow and meet the H.M. as desired in the D.O. on the previous page.

RC
14/9/39 S.

MW
15/9/39.

H.M.(I&L). Mr Ranganekar Hindu called me at 12 noon. He wanted to know whether any notification is being issued with regard to the fixation of minimum prices for sugarcane so far as this factory and its cane growers are concerned. I said I would discuss the matter with D/A and inform him subsequently. D/A called me and told me that a notification is proposed to be issued. But that there are his alternative proposals and the cases will be sent to me so that I may fix a day for discussion with him.

MW
15/9

vide pp 14-19 ante.

MW
15/9/39

~~10~~ 97

To HS.

Please see the notes of Hm (Landh.) asking ante.

The HS proposals may be allowed.

Regs have been rec'd since.

Rec 18.9.89

RR 1993

P. T.O

(From the D.A. C.No.588/39, dated 15.9.1939.)

The file relates to the revision of the existing notification fixing minimum prices for the Hospet Sugar Factory.

2. The Hospet revenue taluk of the Bellary district was declared a controlled area for the purposes of the Sugarcane Act,1934, with effect from 6.12.1938 and with effect from the same date minimum prices were fixed under the Act for the purchase of cane intended for use in the factory. No other factory area in this Presidency has yet been declared a controlled area for the purposes of the Act. Proposals are under consideration in the L.F. for extending the Act to the Vizagapatam district and a preliminary notification has been published. But the D.A. is awaiting decision in regard to fixing of prices of cane in this file for sending final proposals for that area. Preliminary to submitting these proposals the D.A. had a discussion on the subject with n.m. (I. & L.)-vide notes on p.9 ante.

3. The Director's proposals are noted on below:

The Director has sent two alternative proposals for revising the minimum prices prescribed for purchase of cane for the Factory.

The first notification of prices is on the basis of that published (in the L.F.) as a preliminary notification in respect of the Boobili factory area in the Vizagapatam district and is based on the price of sugar being Rs.280/- per ton or Rs.240/- after deducting the excise duty at Rs.40/- per ton. The second draft takes into account the fluctuations of sugar prices with a view to giving the grower of

cane the benefit of rise in sugar prices. The initial prices in this case also are fixed on the same price of sugar, viz., Rs.240/- per ton, as per allowing for the excise duty.

The following statement compares the existing prices, those proposed under the fixed scale (1st notification and those under the sliding scale (2nd notification).

Variety of cane	Minimum price fixed in Decr.1938.	Price as proposed under Notfn. I.	Basic Price as proposed under Notfn. II.
Plant sugarcane of Coimbatore variety.	Rs.9-8-0	11-8-0	10-0-0
Ratoon cane of any Coimbatore variety.	9-0-0	11-0-0	9-8-0
Local cane.	8-8-0		9-0-0

4. The Director has not explained in his reports the need for reviving the existing minimum prices fixed for the Hospet Factory. The reasons for revising the prices fixed may be either a rise in the market price of sugar or an increase in the percentage of sugar recovery at the factory. It may be noted however that none of these was the main considerations when minimum prices were fixed in December 1938. The prices fixed were based on the costs of cultivation and allowing a certain margin of profits to the grower. A reference is solicited in this connection to para 10-15 of the Director's letter on pp.13-15, para 8 on p.31 and the notes in para 5(2) and 5(3) on p.211 of G.O.No.2731 Dev., dated 2.11.1938.

As regards the market price of sugar, it may be noted that the price ruling on 5.12.1938 for Nellikuppam, sugar at the Madras station was Rs.14.31 per cwt. cent or Rs.286-2-0 per ton. and the price on 18.9.1939 for the same variety at the same station was Rs.15.81 per cent or Rs.316-2-0 per ton. The Director

states that the present level of prices may fall after the crushing season begins in November but not below Rs.240/- (~~previously inclusive of excise duty~~). The Director has not however furnished any information about the presumptive increase in the percentage of sugar recovery by the factory.

para 6, p16 c.f.

5. Orders of Government may now be obtained on the general proposal to revise the present prices fixed for the Hospet factory and on the general question whether the revised prices would be fixed as in Notification I of the D.A. or on the basis of the sliding scale suggested in the alternative draft would be adopted.

p17 c.f.

The sliding scale appears preferable th 18-19 c.f.

6. The Director is in favour of fixing prices on the sliding scale evidently for the reason that it furnished an elastic system and takes into account the price of sugar in the market, the percentage of sugar recovery at the factory and provides for passing on a portion of these benefits to the grower. It may be noted in this connection that the Indian Sugar Committee of 1920 recommended such a sliding scale as suitable to Indian conditions -- vide para 318 of the Report put up. The Director has explained the working of the sliding system in para 4 on p.15 c.f.

Vide para 7, p16 c.f.

p 8 c.f.

The introduction of the system of sliding scale of prices is dependent upon the following arrangements:-

(1) Provision for the publication every week of the wholesale price of sugar, and

(2) Periodical check of the percentage of sugar recovery at the factory.

Item (1) above.

The D.A. proposes that the D.I.& C. should telegraph to Hospet and publish every Monday morning during the crushing season the wholesale price in the Madras Market based on his own enquiry and on the reports furnished to him by Messrs. Parry and Co. and that this price should be followed for payment of cane during the week till it is altered the next Monday. The D.I. & C. publishes in the Gazette every Tuesday the wholesale price of sugar, among other commodities, ruling on the previous Monday at Madras, among other places. It has been ascertained that the price of Nellikuppam (white) sugar is to be adopted as the basis. There will therefore be no difficulty to the D.I. & C. in furnishing the information. Messrs. Parry & Co. already supply information in regard to wholesale prices ruling in Madras every week. Local arrangements will also have to be made by the D.A. for giving publicity to the prices in the Hospet area.

Item (2) above.

The Registers and records prescribed in Rule 10 of the Madras Sugarcane Rules, 1938, already provide for the factory furnishing the necessary information. Under sub-rule (5) of Rule 10, the Manager of the Factory is required to submit a report every two weeks to the District Magistrate, the D.A., the D.I. & C. and the R.C.S. furnishing particulars, among others, of the average recovery of sugar at the factory, the price paid for cane and the price realised for sugar. All the gazetted officers of the Agricultural, Industries and Co-operative Departments in the area have also been given powers of inspection. There will be no difficulty therefore in checking the figures of sugar recovery.

7. The following points may however be noted in

TS 102

this connection:

(1) There is no provision in the notification for payment of cane correspondingly at a lower rate in case the price of sugar comes down to below Rs.240/- per ton.

(2) There appears to be a danger of growers holding back supplies of cane to the factory during certain periods when the market is in a fluctuating condition in anticipation of getting higher prices, and

(3) During the earlier part of the crushing season, the percentage of sugar recovery is likely to be small and growers may be reluctant to supply cane during that time and cultivators who supply cane at that time would be paid for at a lower rate.

Item (1) above. The Director states however in para 6 on p.16 c.f. that though the present price is likely to fall after the crushing season begins in November, it is not likely to fall below Rs.240/- per ton (Rs.280 minus Rs.40 excise duty). It is not stated how these defects in the sliding system will be met. If considered necessary these points may be discussed with the D.A.

After the general question is decided action will be taken to publish a preliminary notification under section 3(2) of the Act. It may be mentioned that the revised prices can be brought into force only one month after the preliminary notification --- vide section 4.

25.9.39 The matter is urgent. The N.I. has to come into force on 1-11-39. and the draft shd be published before 1st October.

The Sliding Scale may be approved. The probability is that sugar would fall below Rs240/-. If there is a very serious fall, the rates would require alteration.

26/9 S

The prices fixed have to be paid even if the price of sugar falls below Rs.240/- This is hardly likely to happen. MP 27/9/39

There is equal chance of getting less.

Vide para "325" on page 312 of the Imperial Sugar Committee (Just up.) Rep.

The price of cane moves with the market rate for sugar on percentage of recovery - vide the ... of recovery ...

The file may be sent to H&M (Agric & R.D.) also as it is a Scheme the subject relates to 'marketing' also and as the subject has now been allotted to their H&M.

H. & M. (Agric.)

The Second Notification at pp. 18-19 C.F. providing for a Sliding Scale is preferable

Now that Sugar prices have gone up and remained high Since the outbreak of war, it is almost certain that prices will not go down below 2400 Rs per ton.

The Sliding Scale goes upto 3500 Rs. If prices go higher (which is unlikely) the Scale can be Suitably modified.

The Sliding Scale shows that the price of Sugarcane will be made dependent on the price of White Sugar only. So Considerations like the varying Content of Cane at various parts of the Crushing Season, will not affect prices.

H.M. (I & L) presumably desires to discuss with Dir. of Agr. ('x' on page).

CWO
27/9/39

H.M. (I & L)

H.M. (Agr & R.D.)

The H.M. returned this file with a minute dealing with his interview with the Raja Saheb of Bobbili in regard to the notification issued fixing minimum price for cane purchased by factories in Bobbili and other talukas in the Vizag. Dt.

27/9.

With D.F. 11294 "/39.

The note has therefore been transferred to the concerned file (linked (16) and further action as directed by the H.M. has been taken on that file. (Memo 11294 ...)

This file deals with the proposal to revise the rates of minimum price fixed for the Worsted Factory. So far as this branch is concerned, the D.A's proposal was to introduce the new rates from 1.11.39 and this required previous publication of a preliminary N.M." before 1.10.39 It is now impossible to adhere to these dates. The file may now be sent for urgent orders on the proposals of the D.A. in his letter on page 14 ante et seq which has been examined with rubi on page 11 et seq. Supra. The D.A has reminded us (P. 20 ante)

8.10.39

Attention is invited to (X) on p. 9 ante
H.M. proposed to discuss this file with D.A.

I met D.A. on the 7th inst at the Secretariat Spoke to him about this file. He said that he had no discussion with H.M. on the subject, that he was anxious that early orders should be passed on this file; and that he would see H.M. soon, after fixing an appointment with him on the phone.

The file is resubmitted for use at discussion and for orders.

8/10/39

H.M.(I&L). Notification may be issued on the basis of sliding scale

14/10

H.M(Agt&R.D.

14.10.39

Issue notification above

14/10/39

105

Devt. Deptt.

Do A.S.

A draft N/F is submitted for approval. The file may be sent to Legal for scrutiny of the draft notification.

14.10.37

14.10.37

Legal

Special

Dev. no. 20088 III 37-1

14.10.37

ASSISTANT SECRETARY Rec'd 14 OCT 1937 LEGAL DEPARTMENT

7271

Legal Department.

Section 4 of the Sugar-cane Act, 1934 (XV of 1934) requires that not less than thirty days before the issue of any notification under sub-section (2) of section 3 the draft of the proposed notification should be published in the Official Gazette and in such other manner (if any) as the Provincial Government thinks fit. Therefore in the present case the draft at page 18 c.f. cannot issue without a preliminary notification.

p.18 c.f.

It does - infact.

2 The draft as edited by Development does not specify the controlled area in column (1) of the Schedule.

p.18 c.f.

3. Explanation (2) in the draft provides that the Director of Industries and Commerce will publish the price of white sugar. But it does not state the mode of publication. This should be specified.

4. Subject to the above remarks a preliminary notification on the lines of the notification ~~at~~ Flag (K) is put up.

5. Development will no doubt check the correctness

of the entries in the table at page 19 c.f.

1 Rgl
15.10.39
S

Per
15/10/39

DCV

Legal 40-7271-1
15-10-39.

Work Depth.

To A.S.

The draft notification sent by legal may be accepted. It has been attached to the draft CN.

The controlled area has been entered in Col. 1 (iii) of the draft notification.

As regards the mode of publication, attention is invited to paragraph 8 of the D.A. 31 Report on p. 16 c.f. and the notes in the first paragraph on p. 14 c.f. ~~The aforesaid paragraph is how the figures should be published when they are telegraphed to Hospet. The remarks of the D.G.I.C. on the D.A.'s proposal in paragraph 8~~

The D.A. may be consulted. A draft C.T. is submitted for approval.

The figures in the table on p. 19 c.f. have been checked....

An extract of the figures

ASSISTANT SECRETARY TO GOVERNMENT
16 OCT 1939
DEVELOPMENT DEPARTMENT

2653
C. 3 y/draft

Issue at once and let me have the file back.
RB
15/10

C.T. issued on 16.10.39
16/10/39

~~20~~ 107

Secretariat notes in the file relating to the fixation of minimum prices in the Vijag District is put up at (J). The reasons mentioned in that file would seem to apply to this file also. It is only a preliminary notification that is to be issued now & not the final order. It is however for consideration whether the file may not be submitted to the Govt's Secretary pending receipt of the D.A.'s reply to the draft G.O.

The Sugarcane Act, 1934 provides for the regulation of the price of sugarcane sold to sugar factories for use in the manufacture of Sugar.

Rule 10 of

The Act was extended in Dec 1938 to the Hospet taluk and prices fixed as shown in the Notn at flag L.

The Director of agre has now proposed revised rates of price with ref to the rate in sugar prices. It is proposed to fix a sliding scale of price for cane with ref to the ruling price of sugar from time to time. The rates are shown at fl. 19 C/F It is proposed to issue a preliminary Notn calling for suggestions and objections.

The file is sent for HE's sanction with ref to the orders [Extracted at (J)]

Govt's Secy.

RL 16.10.35

He has seen AR 16/10

D.K. 106

Work Deptt.

Sugarcane Act - Extension to Koppeh.

—

The main file has been cited to H.L.

Legal deptt have suggested that the mode of publication of the price figures by the D.G. Ind. & Commerce should be specified. A copy of the draft notfn suggested by Legal is at -1/b 23-15 C.F. The D.A. has suggested that the D. G I&C should telegraph the figures to the Editor of Koppeh who should have it published at 5 places. The draft notfn may be amplified as indicated in pencil. Legal may see for remarks.

Legal

16-10-39. 16-10-39

Legal Deptt.

The alterations suggested by Dev are in order

16.10.39

S

16/10/39

GW

ans. 22 C.F.

It seems borne in in sufficient to prescribe the publication of the prices in the Gazette. We may ask the Editor to send the information to the Govt authorities. If we prescribe a no. of centres in the N.W.F., legal flaw may occur if there is even a slight omission in the procedure followed.

16.10.39

Special

2.45

Secy. no. 2000 W 39-7

16.10.39

recd 3-5 PM

LEGAL DEPARTMENT
19 OCT 1939
ASSISTANT SECRETARY
7293

Legal 6.7293-1

16.10.39

ASSISTANT SECRETARY TO GOVERNMENT
16 OCT 1939
60

~~Dft~~ 10-1

Deck Deptt.

Sugarcane Act – Notification.

A notification ~~to be issued~~ under the Sugarcane Act to be published in the Extt Bh George Gazette of 17-10-39 is forwarded to the S.P.O. The notfn should be sent in type & kept ready for striking & publication on receipt of further instructions to that effect tomorrow. It should not be published without further instructions.

After publication, 15 copies of the notfn should be sent to Deptt.

Dev no 2008 88 III 39-8
16-10-39

Special
despatched by Spl. messenger.
SP
26/39.

RLL
16.10.39.

RK
16.10.39

Do

The S/C with cure!

To A.S.

Please see the Governor's Secy's notes on p. 20 ante above. The S.P.O. may now be authorized to publish the notfn in today's Gazette. A draft ~~Ext~~ is submitted for approval. A revised draft ~~Ext~~ will be subd when printed copies of the notfn are recd

RLL
17.10.39

Issue by spl. sum
RK
17/10

~~25. 11 D~~

The notification has been published in the gazette d. 17/10/39. A revised draft ord. is submitted for approval.

Issue at once

Work very easy – immediate.

21.10.39

21.10.39

Issued as G. M. No. 20088 III/39-W, D. 20/10/39 PP: 27-30 Cft

111

Hospet Sugar Factory – prices fixed by a Govt notification – who issued the notification & on what basis? I presume it was under the Sugarcane Control Act.

Sec to Govt

Rev Sec.

V.E. A.S (Dev.)

Put up the file above with a brief note & with reference to the Govt notification.

1/11/39.

The file is submitted herewith.

2. The Hospet revenue taluk of the Bellary District was declared a controlled area for the purposes of the Sugarcane Act, 1934, with effect from 6-12-38 and with effect from the same date minimum prices were fixed under the Act for the purchase of cane intended for use in the factory – vide notifications at flag (L). The proposal in this file relates to the revision of the prices fixed in the last year's notification (No. 1005) for the Hospet factory on the basis of a sliding scale, the system of which is explained in para 4 on page 15 c/f. The introduction of this system of sliding scale of prices is dependent upon the publication

Notfn: No. 1004 or p. 1 of (L)

(X) The Act is in the stock file – kept below.

Notfn: No. 1005 p. 1 of (L)

p. 1 of (L)

112

every week of the wholesale price of sugar and under this arrangement the D.I.C. should to Hospet every Monday morning the wholesale price in the Madras Market based on his own enquiry and on the reports furnished to him by Messrs. Parry & Co., and this price should be followed for payment for cane during the week till it is altered the next Monday. The whole question was discussed by the late H.M.(Ld 6th) with the Director of Agriculture, Madras, on 14-10-39 and it was decided that minimum prices should be fixed for Hospet factory on a sliding scale basis — vide pages 17/cf. A notification was thereupon issued by the Provl. Govt. under Section 4 of the Sugarcane Act, 1934, inviting objections and suggestions from those who are likely to be affected thereby. The notification was published on 17-10-39 and the last date for receipt of objections or suggestions has been fixed as 20th November 1939. A copy of the notification is attached to the cf. as page 31.

See para 5 - D.I.C. cf. and 'A' on p.21

p.31 cf.

* will be found in the Stock file kept below

p.31 cf

* See 'A' on p.31 cf.

lic 1.11.39

2/11/39

S. 2/11/39

2/11

A.

~~26~~ 113

How can a sugar factory be expected to work when it does not know from week to week what price it must pay for its cane?

WH
SU

WP
3/11/39

Dev. Dept.

The point raised by A-2 is apparently as to how the factory can pay the price fixed in the notification when it will not be in a position to know what price it will get for the sugar which it will be manufacturing from out of the cane purchased during the season. The argument seems to be that the present prices of sugar may or may not continue when the sugar manufactured out of the cane which the factory is now purchasing comes to the market. It is presumed that in actual working the factory will be selling the sugar almost continuously from the date of manufacture though there may be some initial delay in marketing the product. It does not appear to be the case that the factory does not sell the sugar during the manufacturing season and confines it only to particular portions of the year. As it is manufacturing it will also be selling unless the

stocks are held back in anticipation of better prices. If better prices are really expected, there is no hardship in paying a price based on the current prices. Further, there is the question of psychology of the sellers of the cane, that is the growers. The grower will be concerned only with what the price at which the sugar sells at the time, that is at the moment he is selling the cane. He is not concerned with the price which the sugar manufactured out of his cane will be selling at some future date. Many of the ryots may not be willing to wait for taking, say, a bonus some months hence and the present prices are what they care for most. The factory owners may of course raise the argument that the present prices are not actually benefiting them but will only benefit them when they put out the stock on the market. As I said above, this delivery of their stock will not be long delayed and as they are crushing they will also be selling. So the arrangement proposed may not be inequitable for the factory owners.

If however the sliding scale is not to be adopted, the question arises as to what the ~~fixed~~ scales should be. The scales fixed last year were Rs.9-8-0, Rs.9-0-0, and Rs.8-8-0 for Coimbatore variety, local sugarcane and ratoon cane respectively. This cannot be considered suitable at present. The price must depend either on the cost of cultivation plus a margin for the grower or the selling price of sugar and the percentage of recovery in any particular tract. It is already late for the

L. for NEWS on P. 100 (L)

current season and if rates are to be revised, the factory would have lost a good portion of the crushing season. If the notification is withdrawn we will have to cancel the last year's rates also. Before this is done an assurance from the owners as to how they propose to fix the prices for the current season with reference to the changed conditions has to be obtained. In the Nellikuppam area, Messrs. Parry & Co. have also fixed certain basic rates which will be supplemented by bonus with reference to the average price realised for Sugar ~~cane crushed~~ during the particular season. The action that we take in respect of Hospet should have reference to the factories in the Vizagapatam district in respect of which area also we have issued a preliminary notification.

See 1-Pur. 24
H. (L)
Comm. (24 III/39)

RR
4.11.39

I am not sure if this note answers fully the point which A_2 has in view. The intention of the notification appears to be that the payment for sugarcane at a price correlated to the market price of Sugar on 1st day of the week would be fair to both buyer and seller ~~on~~ on the whole.

CWO
4/11/39

A_2.

Recd on 6/11/39 o p.m.

6/11

Disc. RR 8/11/39

From the Indian Sugars and Refineries Ltd. Hospet
Dated 10-11-38

Mr. Ranganatha Mudaliar as Director and Mr. Ramalingam as Managing Agent and Director of the Hospet Sugar Factory have submitted a memorandum objecting to the notification issued by the Govt. for the adoption of the sliding scale of prices for the purchase of sugarcane by the factory for manufacture of sugar. Objections from cane-growers have not so far been received although a note appeared in some papers that they have also met and considered the terms of the notification issued by Government. They have also taken objection to the sliding scale and want to fix a rate of Rs.15/- per ton.

Hospet was the only factory in respect of which rates were fixed last year, that is in 1938. This year the proposal is to legislate for Hospet and Vizagapatam factories. The sliding scale is proposed both for Hospet and Bobbili factories, while fixed rates have been proposed for two other factories in the Vizagapatam district. The difference between Hospet and Bobbili is that in the case of the former, a minimum of Rs.10/- is proposed assuming that the price of sugar will be Rs.240, while in the case of Bobbili a minimum of Rs.9-8-0 is proposed allowing for a minimum price of Rs.230. Otherwise the rates are the same.

Mr. Ranganatha Mudaliar has complained that his factory should not be singled out. As stated above,

action is not proposed only in the case of his factory. As to how Hospet has come to be notified at all, attention is solicited to the discussions in G.O.No.2731 Dev., dated 2.11.1938. The whole thing began with complaints from sugarcane growers who presented a memorandum to the Minister when he visited Hospet in September 1937 asking that a minimum price be fixed for sugarcane at Rs.11-13-0 per ton. The question was then considered at a conference of sugarcane growers and owners of sugar factories by H.M. in November 1937. A small sub-committee of the conference was appointed to arrive at an agreement. The parties were however unable to come to any terms. The question was then dropped for the time being - p.321 (N). Towards the end of October 1937, notice of a Resolution was received asking for fixation of minimum prices for cane in the Legislative Assembly - p.100 of(M). This was not moved. But a departmental conference was convened and it discussed the question in July 1938. After many interviews and letters between the Director and Mr. Ranganatha Mudaliar and on the latter declining to a minimum rate of Rs.9-8-0, the Govt. decided to issue a notification. This notification was confirmed on 5.12.1938. It is this notification that is now in force. The notification issued on 17.10.1939 proposes to vary the fixed rates announced last year by substituting a sliding scale. The sliding scale has been suggested with a view to securing a fair price to the ryots on the basis of the price of sugar that may be ruling from time to time. The price of sugar after the outbreak of war has risen greatly. It was Rs.275 on 21.8.1939, Rs.316 on 18.9.1939 and Rs.340 last week.

Mr. Ranganatha Mudaliar's criticism against the sliding scale is given in para 10(on pp.35-36 c.i) of his letter. His criticism was the one anticipated in the note on page 26 ante. He says there is no guarantee that the sugar produced from cane purchased on the basis of a particular price for sugar will

eventually fetch that price. He points out that the ryots will be unwilling to supply cane at lower rates when there is a fall in price and are sure to hold back their cane in the hope that the price of sugar may go up and that the factory will be obliged later on to buy their cane at a higher rate. He also points out that the rules do not compel the ryots to deliver their cane to the factory at the notified prices and that this would lead to inadequate crushing for days together if not actual stoppage of working. Of course there would be some inconvenience but it would affect both the factory and the cane grower. The final request of Mr. Ranganatha Mudaliar is that the draft notification should be withdrawn and the factory enabled to begin work immediately.

'K' on p.36

para 19 - p.38 cf

p.31 cf.

If the draft notification is withdrawn, then the old notification of December 1938 will continue to be in force and the factory will have to pay only a maximum of Rs.9-8-0 for the cane it purchases. This will certainly be not acceptable to the ryots. It is not also clear whether the minimum price of Rs.10/- mentioned in the draft notification will prove adequate as a fixed price for the season. With the prices of sugar ruling high, the ryots will certainly expect a higher price and the argument of the factory owners that they may or may not get the same price when they sell the sugar they will be manufacturing out of the cane purchased during the season will not appeal to them. So we have to hit upon a course which will be acceptable both to the growers and the factory owners in the Hospet area if the notification is to be withdrawn. Mr. Ranganatha Mudaliar has not stated definitely what chance there is of his coming to terms with the ryots on the question of prices. There may

p 31 cf.

be difficulty in the Hospet area for getting the ryots to agree to the procedure followed in the Nellikuppam area. After all, the Hospet factory consumes only a very small quantity, about 40000 tons which about 20% is grown in the area.

Two facts may in this connection be stated:

It is said that there are great facilities in this area for conversion of cane into jaggery. So, if the ryots do not get fair prices from the factory, it ought not to be difficult for them to convert their cane into jaggery and they therefore do not need any kind of help in getting their relations settled with the factory. From this point of view there will be no need for Government intervention.

From the point of view of the factory it may be said, from what Mr. Ranganatha Mudaliar has reported, that they do not seem to be apprehensive of their ability to get cane without the intervention of Govt. If the factory can get on without Govt. interference, perhaps they may be left alone to come to any terms with the ryots. It appears they have some kind of agreement with cultivators in the Hyderabad State from whom they get a major portion of their requirements for the factory. // In case Govt. decide to withdraw the notification relating to minimum prices, some arrangement is necessary to guarantee the ryots fair terms in regard to weighment of cane of which complaints were raised on the last occasion. The rules issued under the Act provide for provision of weighing machines and use of proper weights. It is presumed that the factory will be able to

~~33~~ / 120

give a guarantee in these matters.

It would be better if this memorandum is sent to the D.A. for his remarks as he might be dealing with representations from other quarters also.

'M' pp. 33-41 C.f.

RR 11/11/37 S.

This question has had a history Commencing in Sept. 1937. There has been price p. 30 ante a certain amount of agitation, there have also been attempts to come to terms, but without success. The notification at the end of 1938 is the result of the break down of attempts to come to an amicable understanding. p 630 (A).

(2) The grounds on which fixing of prices is considered necessary by the D.A. are stated fairly fully in the D.A's letter to Ranganatha Mudr at pp 9-10 C.f. 9

(3) The correspondence at pp 4 to 12 C.f. Sent by Sri Ranganathia Mudr. to H.M (Ind) with his letter at p 3 C.f. shows more than a trace of personal bitterness. It is presumed that this has nothing to do with the proposals themselves. 1 3 C f

(4). As seen from the facts briefly stated in A Si note on p. 32 ante C.f. neither the Factory nor the Cane growers of Hospet are entirely dependent on each other. The Factory can draw its Cane from outside British territory, in Hyderabad State on the other side of the Tungabhadra, and the growers have alternative market for their

making furnaces in the taluk, so numerous in fact that only 40% of the cane grown is it is said to find its way into the Factory. The prices of jaggery often have no definite correlation to the prices of sugar, as the market for the former is more or less local and as the market & price for the latter are governed by world conditions.

If the price of Jaggery is high, the Sugarcane is likely to be diverted from the factory to the furnaces, and the factory will have to pay a sufficiently high price to attract the cane needed for its working.

If the prices of Jaggery is low, & there will be enough sugarcane available in the neighbourhood, for the factory, and it is not likely that the factory will prefer outside Hyderabad Cane to local Cane, paying a higher price for the former & the cost of a longer lead

(5) It will be seen that D. A. had in mind another proposal of "Zoning" land, Sugarcane from which should alone be purchased by the Factory. He wanted to exclude land in Hyderabad State from the purview of the Hospet Factory. This however was dropped for the time being in June 1939, the D. A. promising to make further investigations in the matter and submit a report in due course.

D. 1512 / 12-6-39 (K)

P 5 of (K)

(6) If it is decided to Cancel the draft notification, it will be necessary to abrogate the notification of Dec 1938, fixing a maximum of Rs 9-8-0 for cane. Unless it is abrogated, it may lead to friction as the price payable by the factory for cane under it may not have any relation to the present general market rate for cane ~~interlocution~~ based on the present higher prices of Sugar. f. 630 ante (A) & 'L'

(7) The D.A. is due back from tour on the 16th evening.

(8) The memorandum may be sent to D.A. for remarks as suggested at 'M' on p. 33 ante, A2 may discuss the subject with D.A if necessary. M on p 33, ante

Sd/-
14/11/39

cir. 14th.

A2:

We may fix up the sliding scale & fix a minimum price of 12/- a ton for cane

Sd/-
20.11.

V. E. Jane acquaint at once.

Sd/-
20/11/39

Rec'd 21/11

The objections or suggestions so far received from the representatives of Hospet factory and sugarcane growers in the Hospet taluk with reference to the draft notification on p. 31 c/f., will be found on pp. 33-78 c/f. On a consideration of these representations A_2 has ordered that the sliding scale of minimum prices should be given up and a minimum price of Rs. 12/- a ton should be fixed. Further representations received after this decision was arrived at are at pp. 79-85 c/f. In view of A_2's order that a flat rate is to be fixed, it is presumed that no distinction is to be made among the three varieties of cane, 'Plant Sugarcane', Ratoon sugarcane' and 'Local sugarcane'. The draft notification on p. 31 c/f. may now be confirmed by adopting the fixed rate of Rs. 12/- a ton in lieu of the sliding scale originally proposed.

p. 35 ante

vide 'B' on p. 31 c/f.

A draft notification is submitted for approval. It may be sent to Legal for scrutiny before circulation.

Sd/-
23.11.38

The draft notification

Dent.1. The draft notification was published in the Gazette of 17th October 1939. Subsequent to that the following petitions were received by Government:--

(1) A petition signed by Mr. Ranganatha Mudaliar and Ramalinga Mudaliar, the Director and Managing Agent respectively of the Hospet Sugar Factory.

pp.33-41 c.f.

(2) A supplementary letter by Mr. Ranganatha Mudaliar

pp.42-46 c.f.

(3) Letter from Sri Ananthachari forwarding copies of resolutions passed at a public meeting of the ryots, landholders and citizens of Hospet.

Page 67 - 53 c.f.

(4) A petition from ryots of the villages of Kamalapur, Venkatapur, Kaderampur, Humpi, Nimbapur, Dehapur, etc., of Hospet Taluk.

pp.54-70 c.f.

(5) Resolutions passed at a public meeting of wet land ryots of Ananthasayangudi and Nagenahalli.

Page 72-73 c.f.

(6) Memorandum of objections to the notification by Sri C.R. Parthasarathi Iyengar and C.R. Raghavachandran, President and Honorary Secretary respectively of the Sugars' Shareholders' Association.

pp.74-78 c.f.

(7) Mr. Ranganatha Mudaliar's further letter at pp.79-85 c.f

Suggests in this a minimum price of ₹12, when Sugar price ₹ 300 ₹ 11, " " ₹ 280 ₹ 10, " " ₹ 260

Comp 85 c.f. 24/11/39 pp.79-85 c.f.

A-2's discussion with the factory management and ryots was on 20th November. All the above representations excepting the last one from Mr. Ranganatha Mudaliar had been received by the time of the discussions. It does not now seem to be

necessary to examine the representations contained in them. It may be stated broadly that the factory management does not accept the sliding scale notified by Government nor do the ryots, landholders and citizens assembled at the meeting of 2nd November 1939. The ryots of the two wet land villages referred to also do not want a sliding scale. The ryots of the other villages wanted :--

(i) a minimum of Rs.12-8-0 if the price of sugar is Rs.240 and an addition of 9.6 pies for every rupee by which the price of sugar exceeded Rs.240 a ton,

(ii) no difference between planted and ratoon canes and

(iii) addition of cart hire at Re.1-8-0 per ton to the price above mentioned.

The ryots who object to a sliding scale want that they should be paid Rs.15/- per ton. The President and Secretary of the Shareholders' Association , while suggesting that the prices fixed in the notification were too high, point out the inability of the factory to pay more than Rs.7/- per ton. Their request is that the factory and the ryot should be permitted to come to an arrangement between themselves.

3/ Mr. Ranganatha Mudaliar's original letter was dealt with on pp.29-35 n.f. supra. His letter dated 21st November at pp.79-85 c.f. was received after the discussion. He contends that the minimum price should be a fixed one and that it should not be more than Rs.10-8-0 per ton. He suggests the following alternative, viz., Rs.12/- when the price of sugar is Rs.300 and above, Rs.11 when it is Rs.280 and above and Rs.10 when it is below Rs.280. The prices indicated are Hospet prices and not Madras

prices. If this does not meet with the approval of the ryots, they might come to any agreement with the factory subject to a minimum price of Rs.10/-

4 A-2's decision is that the sliding scale should be given up and a minimum price of Rs.12/- should be fixed. Applying the principle that the growers should be given half the value of the sugar this price ~~works out~~ corresponds to a sugar price of Rs.293 per ton on a basis of recovery of 9.5 per cent. The present prices of cane are higher than this. It may perhaps be hoped that the price may not come down for some time to come. Attention is however invited to the Director's letter of the 15th September 1939 at pp.14-19 c.f. He there suggested a fixed rate as well as a sliding scale. The fixed rate will be found mentioned in the notification on p.17 c.f. He suggested only Rs.11-8-0 for Coimbatore variety & Rs.11 for local and ratoon variety. A-2's figure is higher than this.

5 It is for consideration whether the rate of Rs.12/- should be for all varieties. The Director distinguished plant sugarcane of Coimbatore variety and local ratoon variety and suggested ~~the~~ a difference of half a rupee. The ryots have asked that there should be no distinction between plant variety and ratoon variety. It is for consideration whether following the difference suggested by the Director, Rs.12/- may be adopted for plant sugarcane of Coimbatore variety and Rs.11-8-0 for local cane and ratoon cane of any variety. If however ratoon variety need not be distinguished from plant sugarcane Rs.12/- may be given for plant sugar cane and ratoon cane of Coimbatore varieties, and Rs.11-8-0

12740

for local sugarcane and ratoon of local variety.

Dep. no. 3289 dt. 24-11-39

Sp 8296

5 P.M.

ASSISTANT SECRETARY
24 NOV 1939

Legal 8296 dt. 25.11.39

279

UNDER SECRETARY
25 NOV 1939
DEVELOPMENT DEPARTMENT

30

128 fr ffs 2984
9.12.39

H.E. This case and the linked file relating to the Vizag. District may be discussed at the next Advisers Meeting.

C. 30.11.39

LWO
30/11/39.

with reference to H.E's orders above, The file may now be circulated to the Second Adviser for information and also to the other Advisers with reference to the Public Deptt. n.o. note No. 32560 A-2 dated 15.11.39 at flag (R)

It is also for orders with reference to the first sentence in the n.o. note, whether the note on pp. 24-25 and 37-39 above will suffice for the use of the meeting of H.E. the Governor with his Advisers or a separate note should be prepared.

(R)

LWO
30/11/39

LWO
30/11/39

LWO
30/11/39

A2
H3
A1

A2 1.12

A3 1/12

A1 1/12/39

LWO
1/12/39

~~1.2~~ 129 . 8

These two files may now be sent to the Chief Secretary for use at the next meeting of Advisers.

KK
2/12/39

lis
12.39

Ch. Secll

A comparative statement of prices now prepared and put up on (T).

(Typed copies of P. note separately given on 4-12-39 to P.S.g., H. Govt.

(S

Dev. no. 32890 14/39-3
4-12-39
(with linked file)
No. ... of ...

43 130

22305 III
7-12-39

Meeting of His Excellency the Governor with his Advisers held at Fort St. George on **Tuesday, 5th December 1939.**

His Excellency the Governor Presided.

Present:

Mr.G.T.Boag, C.S.I., C.I.E., I.C.S.,
Mr.H.M.Hood, C.S.I., C.I.E., I.C.S.,
Mr.T.G.Rutherford, C.S.I., C.I.E., I.C.S.

AGENDA.

Sugarcane - Fixation of minimum prices - Hospet taluk of the Bellary District and the whole of the revenue district of Vizagapatam.

ORDER:-

this question is in the United file.

The proposal to declare Vizagapatam District a controlled area under the Sugarcane Act, 1934 to be dropped.

The notification should be applied to the Hospet taluk with a clear statement that the reasons why the Act is being maintained in the Hospet taluk is that both the Shareholders and the ryots desire it. The minimum rate of Rs.12/- per ton for cane is approved for Hospet taluk.

WO 7/12/39

Sd/- Erskine.

NH 7.12.39

Dev. Dept.

V.E. Special

Have the files been received? See that necessary action is taken at once.

WO 7/12/39

7/12

44 131

Dept.

Please see on page 43 ante the order of the meeting of H.E. the Governor with his Advisers held on 5-12-39. As a minimum rate of Rs. 12/- per ton for cane is approved for Hospet taluk, it is presumed that no distinction is to be made between plant sugarcane of any coimbatore variety, and local sugarcane and ratoon sugarcane of any variety – cf. Asst. Secy's note in para 5 on page 39 ante. A revised Draft notification fixing a rate of Rs. 12/- per ton for canes of all varieties, and a Press communique on the subject are submitted for approval. Legal may see again before circulation.

para 2 - p. 43 ante

Lis
7.12.39

Para 1 of the draft may suitably form a Press Communique as it has been ordered that a Statement should be made giving reasons why the Act is maintained in Hospet

Legal may see the notification again before circulation

Sec
8.12.39

p. 43 ante

ASSISTANT SECRETARY
1939
DEPARTMENT

Doc. no. 32890 III/39-4
8-12-39

8730 Rec'd. 5.45 P.M.

I have revised para 1. we need not say what happened before 1938 Dec notification.

Retype & let me see
8/12/39

Lo Secy

Please see the revised draft placed below
Sec 8/12/39

Seen
8/12/39 Legal.

5 132

Legal Dept.

The draft notification is in order Subject to the slight alterations indicated thereon in red ink

TRH
9.12.39

Legal 8730.1
9/12/39

5
9/12/39

DW

Submitted.
May be circulated for approval of the draft below

9.12.39 S

9/12/39

A2

9/12

UNDER SECRETARY TO GOVT.
9-DEC 1939
DEVELOPMENT DEPARTMENT

To issue at once.
9/12/39

To A.S.

The file may be sent to Press Adviser for perusal of the Press communique before issue.

9.12.39 S

9/12/39

UNDER SECRETARY TO GOVT.
9-DEC 1939
DEVELOPMENT DEPARTMENT

[See para 3 no. note at (B)]

Press Adviser (4.0)

Seen Gairola
9/12

Dev. no. 32890 AI/39-5
9-12-39

Public (Press) no. 4462-1

UNDER SECY. TO GOVT. 2-DEC 1939 DEVELOPMENT DEPARTMENT

Public (Press) Department.

Trilinga dated 27-11-1939.

The Sugar industry.

The Trilinga refers to the Conference of Sugar Factory owners in Lucknow to consider the suggestions of the Provincial Governments on the price of sugarcane and observes as follows:-

The price of sugar depends upon the price of sugarcane. We understand that many owners of sugar factories are prepared to stop working their factories in case the price of sugarcane remains high as the sugar business will not pay them. If the Provincial Governments create obstacles to the sugar industry not only will many factories be closed but there will be no demand for the sugarcane crop raised The Government have ignored the recommendations made by the Tariff Board which made detailed enquiry about the sugar industry. It is essential that the authorities should make arrangements which are not disadvantageous to this industry. If the Government help on the sugarcane cultivation they will enable not only the factories but also the ryots to get good profits. It is regrettable that the authorities should not recognise the fact that there is no good of their merely raising the price of sugar cane and that they should endeavour to increase the sugarcane cultivation. If the price of sugar rises there is no doubt that sugar will be imported in large quantities from foreign countries. It is wrong on the part of the Government to think that they are helping the ryot who cultivates sugar-cane by enhancing its price and thus attempt to kill the sugar industry itself. We hope that the authorities will change their attitude and make such arrangements as would not kill the industry.

134

The article on the "Sugar Industry" should go to Development.

V.V.S.
30-11-39.

b (Press) U.O. 265-1 Tel.
1.12.39.

Dev. U.O.

2.12.39

Dev. Dept.

The subject of fixation of minimum prices for sugarcane for factories in the Hospet Taluk (of the Bellary Dist) and the revenue district of Vizagapatam comes up for discussion at the next meeting of H.E. the Governor with his Advisers. * on 5-12

The extract from 'Triloga' dt 29.11.39 on page 1 ante may be submitted to A.2 for information.

The article is in favour of the Sugar Factory interests.

RK 4/12/39

4/12/39.

4.12.39

A2.

4/12/39

(A further letter from Sri A. Ranganatham Mr. dt 4-12-39 has also been attached as pp 3-5 infra)

4/12/39

T9 9/12

135

C.F.17.

DRAFT FOR APPROVAL.

Dev. Dept.

	Date.	Initials.
When received for fair copying	9.12	K
When copied	9.12	
When examined	9/12	
When signed		
When despatched.		

SUBJECT:—

AGRICULTURE - Sugarcane Act,1934 - Controlled area - Hospet revenue taluk - Minimum price - Notification - Published.

READ AGAIN _____, dated _____ 19____.

" " _____ " _____ 19____.

READ *ALSO*:— 11-27-30 ✓

C. No. 3289 /39 From the Memo. to the D.A., No. 20088-III/39-10, dated 20.10.1939. D.I. & C., etc. p. 32 ✓

" " From the Collr. of Bellary, D.Dis.C.4692/39, d/2.11.1939

" " From the D.A. C.No. 588/39, D/20.11.1939. 11 71-73 ✓

Order ~~Memo~~ No. 2957, dated 9-12- 1939.

Dept C. Secy. 9.12.39 Initials.

Press Communique given to all newspapers.

Dho 11/12.

Notification No. 1004 on p. 1 of (L)

The following Press Communique is issued.

Press Communique. 110 9.12.39

In December 1938 a notification was issued by Government declaring the Hospet taluk of the Bellary district a controlled area under the Sugarcane Act and fixing minimum prices for cane intended for use in a factory.

In October 1939, on a suggestion made that the price which the grower gets for his cane should correspond with the price of sugar in the market, a preliminary notification under section 3 of the Act was issued declaring the intention of Government to fix a revised schedule of minimum prices on the basis of a sliding scale of rates which follow the price of sugar prevailing in the market from time to time in the place of the fixed rates fixed in December 1938. The Govt. have since received representations on behalf of the management of the Hospet Factory, from its shareholders and from representative ryots in the area. The

cf. paras 3 & 7 on pp. 15-16 ante.

& vide No. 1005 on p. 1 of (L)

pp. 33-85 ante.

137

~~Adviser to His Excellency the~~

~~Governor had also a discussion with~~

~~the representatives of all the~~

~~interests concerned~~. The Government

observe that neither the factory

management nor the representatives

of ryots favour a sliding scale of

rates. ~~The ryots have also asked that~~ It has been urged on behalf of the ryots that a flat rate should be fixed for all varieties of sugarcane, ~~Both~~ and that it is in fact desirable to retain the ~~the shareholders and the ryots growing sugarcane desire the maintenance of the~~ in force Sugarcane Act in the Hospet taluk. ~~The Government have~~ He the Governor has decided to continue the operation of the Act in that area and to prescribe a fixed minimum rate for

cf. portions marked 'B' on p. 35 of, 'M' on p. 49 of and 'A' on p. 72 of.

see 'K' on p. 49 & 'A' on p. 55 of

and from the introduction

all varieties of cane intended for use in a factory.

2. The following notification will be published i[illegible]t. George Gazette dated 12.12.1939 and in the corresponding issue of the Bellary District Gazette:

× Date of next w[illegible] No. 9.5.9.1[illegible]

Notification

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugarcane Act,1934 (XV of 1934) and after previous publication as required by section 4 of the said Act, and in supersession of Development Department Notification No.1005

p.1 of (L)

dated the 5th December 1938 published at page 1714 of Part I of the Fort St. George Gazette dated the 6th December 1938, His Excellency the Governor of Madras is hereby pleased to fix, with effect on and from the 12th December 1939 the minimum price of sugarcane (all varieties) at Rs.12-0-0 per ton for the purchase in the controlled area of the Hospet revenue taluk of the Bellary District, such sugarcane being intended for use in a factory as defined in the said Act.

Explanation.- The minimum prices specified ~~[in the notification]~~ is for delivery of sugarcane at the factory.

3. The D.A. Collector & D.M. Bellary is requested to instruct the Asst.Dir. revenue of Agriculture staff in Bellary Hospet taluk to bring the contents of the notification to the notice of the ryots in important

1160

cane
sugar areas in the taluk.

K.S.
8-12-39

Rey
8.12.39

cw
8/12/39

To the D.A.
" D.I. & C.
" Collr. of Bellary
" R.C.S.
" Board of Revenue.
" S.G.P. for publication of Press Communique and notification, ~~in the F.S.G.~~ and in the corresponding issue of the Bellary District Gazette.

9-12-1939

Press (Local only)
Despatched to all
Ans 9/12
(Notf. 9-12-39 p.1607)
Notifns Nos 966 & 967 (Press communique)
published on
pp. 1607-1608 of
Part I of the F.S.G
of 12-12-39

1111

Government of Madras

Received.....1939 Registered.....1939

Abstract

Agriculture - Sugarcane Act, 1934 - Controlled area - Hospet revenue taluk - Minimum price - Notification - Published.

Development Department

G.O.No.~~Press~~ 2987, Dated the 9th December, 1939

Read the following:--

Memorandum to the Director of Agriculture, Director of Industries and Commerce, etc. No.20085-III/39-10, dated 20th October, 1939.

From the Collector of Bellary, D.Dis.C.4692/39, dated 2nd November, 1939.

From the Director of Agriculture, C.No.638/39, dated 20th November, 1939.

O R D E R.

x x x x

~~The following Press Communique is issued.~~

2. The following notification will be published in the Fort St.George Gazette dated 12th December, 1939 and in the corresponding issue of the Bellary District Gazette:

Notification.

In exercise of the powers conferred by sub-section(2) of section 3 of the Sugarcane Act, 1934 (XV of 1934) and after previous publication as required by section 4 of the said Act, and in supersession of Development Department Notification No.1005 dated the 5th December, 1938 published at page 1714 of Part I of the Fort St.George Gazette dated the 6th December 1938, His Excellency the Governor of Madras is hereby pleased to fix, with effect on and from the 12th December 1939 the minimum price of sugarcane (all varieties) at Rs.12-0-0 per ton for the purchase in the controlled area of the Hospet revenue taluk of the Bellary District, such ~~sugarcane~~ sugar-cane being intended for use in a factory as defined in the said Act.

Explanation.-The minimum price specified is for delivery sugar-cane at the factory.

3. The Director of Agriculture
Collector and District Magistrate, Bellary

requested to instruct the Assistant Director of Agriculture
revenue staff

Bellary
Hospet taluk to bring the contents of the

tification to the notice of the ryots in important sugar-
ne areas in the taluk.

(By order of His Excellency the Governor)

V.T.Visvanatha Rao,
Secretary to Government.

the Director of Agriculture.
,, Director of Industries and Commerce.
,, Collector of Bellary.
,, Registrar of Co-operative Societies.
,, Board of Revenue.
,, Superintendent, Government Press for publication of the Press Communique and notification in the Fort St.George Gazette of 12th December, 1939 and in the corresponding issue of the Bellary District Gazette.

Press (part 1 only)

(True Copy)

Forwarded
(By order)

D.Rajamma 12.12.39
Superintendent.

143

Minimum price fixed for sugarcane in the controlled area of the Hospet revenue taluk.

Fort St. George, December 9, 1939
(G.O. No. 2981, Development).

No. 966.

In exercise of the powers conferred by sub-section (2) of section 3 of the Sugar-cane Act, 1934 (XV of 1934), and after previous publication as required by section 4 of the said Act, and in supersession of Development Department Notification No. 1005, dated the 5th December 1938, published at page 1714 of Part I of the *Fort St. George Gazette*, dated the 6th December 1938, His Excellency the Governor of Madras is hereby pleased to fix, with effect on and from the 12th December 1939, the minimum price of sugarcane (all varieties) at Rs. 12 per ton for the purchase in the controlled area of the Hospet revenue taluk of the Bellary district, such sugar-cane being intended for use in a factory as defined in the said Act.

Explanation.—The minimum price specified is for delivery of sugar-cane at the factory.

PRESS COMMUNIQUÉ.

No. 967.

In December 1938 a notification was issued by Government declaring the Hospet taluk of the Bellary district a controlled area under the Sugarcane Act and fixing minimum prices for cane intended for use in a factory. In October 1939, on a suggestion made that the price which the grower gets for his cane should correspond with the price of sugar in the market, a preliminary notification under section 3 of the Act was issued declaring the intention of Government to fix a revised schedule of minimum prices on the basis of a sliding scale of rates which follow the price of sugar prevailing in the market from time to time in the place of the fixed rates fixed in December 1938. The Government have since received representations on behalf of the management of the Hospet Factory, of its shareholders and of ryots in the area. The Government observe that neither the factory management nor the representatives of ryots favour a sliding scale of rates, and have pointed out certain difficulties that are likely to arise from its introduction. It has been urged on behalf of the ryots and of some shareholders that a flat rate should be fixed for all varieties of sugarcane and that it is in fact desirable to retain the Sugarcane Act in force in the Hospet taluk. His Excellency the Governor has decided to continue the operation of the Act in that area and to prescribe a fixed minimum rate for all varieties of cane intended for use in a factory.

A

V. N. VISWANATHA RAO,
Secretary to Government.

GOVERNMENT OF MADRAS.

Development Department.

PRESS COMMUNIQUE.

No.110.

Dated, Fort St. George, the 9th December 1939.

In December 1938 a notification was issued by Government declaring the Hospet taluk of the Bellary district a controlled area under the Sugarcane Act and fixing minimum prices for cane intended for use in a factory. In October 1939, on a suggestion made that the price which the grower gets for his cane should correspond with the price of sugar in the market, a preliminary notification under section 3 of the Act was issued declaring the intention of Government to fix a revised schedule of minimum prices on the basis of a sliding scale of rates which follow the price of sugar prevailing in the market from time to time in the place of the fixed rates fixed in December 1938. The Government have since received representations on behalf of the management of the Hospet Factory, of its shareholders and/ryots of in the area. The Government observe that neither the factory management nor the representatives of ryots favour a sliding scale of rates, and have pointed out certain difficulties that are likely to arise from its introduction. It has been urged on behalf of the ryots and of some shareholders that a flat rate should be fixed for all varieties of sugarcane and that it is in fact desirable to retain the Sugarcane Act in force in the Hospet taluk. His Excellency the Governor has decided to continue the operation of the Act in that area and to prescribe a fixed minimum rate for all varieties of cane intended for use in a factory.

V.N. VISWANATHA RAO,
Secretary to Government.

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v.s.v.

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GOVERNMENT OF MADRAS.

Development Department.

PRESS COMMUNIQUE.

No. 10.

Dated, Fort St. George, the 9th December 1939.

In December 1938 a notification was issued by Government declaring the Hospet taluk of the Bellary district a controlled area under the Sugarcane Act and fixing minimum prices for cane intended for use in a factory. In October 1939, on a suggestion made that the price which the grower gets for his cane should correspond with the price of sugar in the market, a preliminary notification under section 3 of the Act was issued declaring the intention of Government to fix a revised schedule of minimum prices on the basis of a sliding scale of rates which follow the price of sugar prevailing in the market from time to time in the place of the fixed rates fixed in December 1938. The Government have since received representations on behalf of the management of the Hospet Factory, of its shareholders and/ryots in the area. The Government observe that neither the factory management nor the representatives of ryots favour a sliding scale of rates, and have pointed out certain difficulties that are likely to arise from its introduction. It has been urged on behalf of the ryots and of some shareholders that a flat rate should be fixed for all varieties of sugarcane and that it is in fact desirable to retain the Sugarcane Act in force in the Hospet taluk. His Excellency the Governor has decided to continue the operation of the Act in that area and to prescribe a fixed minimum rate for all varieties of cane intended for use in a factory.

V.N. VISWANATHA RAO,
Secretary to Government.

v.s.v.

Desk.

To A.S.

(F)

G.O. No. 2487 dt 9-12-39

has been put under "Press Series".
This G.O. is not likely to be
of frequent use for more
than one file, and will be
required only for the subject
of sugarcane. It is therefore
doubtful whether any useful
purpose will be served
by printing this G.O. Fifteen s.cs of the Notified have been obtained from the Press & kept in office
orders whether it may be
classified under "Miscellaneous
series".

Yes.
Inform the C.B.

12/1/40 12.1.40

RR
12/1/40

The C.B has been informed.

AS